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PORT OF SAN FRANCISCO

NOTICE OF CANCELLED MEETINGS

THE REGULAR PORT COMMISSION MEETINGS SCHEDULED FOR

TUESDAY, SEPTEMBER 12, 2000
AND
TUESDAY, SEPTEMBER 26, 2000

ARE CANCELLED

A SPECIAL PORT COMMISSION MEETING
IS SCHEDULED FOR

TUESDAY, SEPTEMBER 19, 2000
AT 4:00 P.M.

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA 94111
(415) 274-0406

SEPTEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
September 12 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 19 *(Special)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
September 26 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47, Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

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SF
P55
#1

SAN FRANCISCO
PORT COMMISSION

9/19/00
Special

SPECIAL MEETING – *Please Note Date & Time of the Meeting*
3:00 P.M., TUESDAY, SEPTEMBER 19, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

DOCUMENTS DEPT.

SEP 15 2000

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AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS / PUBLIC COMMENT**

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) PUBLIC EMPLOYEE EVALUATION – This is specifically authorized under California Government Code Section 54957.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING AND ANTICIPATED LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (1 case).

b. Discuss existing litigation matters pursuant to subdivision (a) & (d) of California Government Code Section 54956.9:

- CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-action, San Francisco Superior Court Case No. 989618 (Action Item)

  Approval of settlement of litigation relating to construction defects and delays at Pier 35 (Port contract 2616) upon terms which include the Port's release of contract retention funds of

2 46529 SFPL: ECONO JRS
118 SFPL 07/06/01 45

$332,649.79 plus a payment of $34,470.21 to plaintiff's surety, in exchange for (1) a mutual release of claims by all parties, subject to certain exceptions, (2) defendant contractor's agreement to perform remedial work, and (3) agreement by defendants Andrea "Ray" Minutoli, Alicia A. Minutoli, Katsuko Minutoli, Meridian Construction & Engineering, and American Contract Builders to permanent debarment from participating in future City contracts.

- Commercial And Interiors Construction, Inc., and CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-complaint, Santa Clara Superior Court Case No. 782855 (Action Item)

  Approval of settlement of litigation relating to construction defects and delays on Port contract 2594 (Ferry Building Seismic Repair Stage II) upon terms which include the Port's release of contract retention funds of $310,880 to plaintiff's surety.

- Alioto Fish Co., Ltd. v. CCSF, Superior Court Case No. 306-391. (Action Item)

  Approval of settlement agreement.

- Arthur Corona v. CCSF, San Francisco Superior Court Case No. 303734 (Discussion Item)

- Nguyen v. CCSF, San Francisco Superior Court Case No. 300653 (Discussion Item)

- Robert Noyer v. Flicka McGurrin dba Pier 23 Café, and City and County of San Francisco, San Francisco Superior Court Case No. 306211 (Discussion Item)

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Pier 94
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*British Pacific: John Chambers

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Pier 94.

b. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive

Director
*Municipal Railway: David Esparaza

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

c. Property: Ferry Building
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

d. Property: Property located at Pier 70
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*DPT: Steve Bell

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Pier 70.

e. Property: Property located at Embarcadero
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*DPT: Steve Bell

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Embarcadero.

f. Property: Piers 1-½, 3, 5
Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to receive guidance from the Commission regarding the proposals received in response to the Request for Proposals for the Piers 1 ½, 3, 5 Mixed Use Preservation Project.

g. Property: Sinbad's Restaurant
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Sinbad's Restaurant: Thomas Stinson

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Sinbad's Restaurant.

h. Property: SWL 337
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*China Basin Ballpark Company: Jack Bair

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Seawall Lot 337.

4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

5. APPROVAL OF MINUTES - August 15, 2000 Special Meeting
- August 28, 2000 Special Meeting

6. EXECUTIVE

A. Executive Director's Report

- Pier 45 Shed C

7. CONSENT CALENDAR

A. Approval of a sublease between AMB Property, L.P. and AP Deli and Foods, Inc., dba Pier One Deli, for sublease of space at Pier 1. (Resolution No. 00-72) (Staff report provided to the Commission.)

8. MARITIME

A. Approval of assignment of British Pacific Aggregates, Ltd. Marine Terminal Lease Agreement at Pier 94 to Hanson Aggregates Mid-Pacific, Inc. (Resolution No. 00-77) (Staff report provided to the Commission.)

9. REAL ESTATE

A. Approval of one-year lease with Economic Opportunity Council of San Francisco at Pier 27. (Resolution No. 00-76) (Staff report provided to the Commission.)

10. FACILITIES & OPERATIONS

A. Informational item on the emergency declaration for work on Wharf J-10 at Fisherman's Wharf. (Staff report provided to the Commission.)

B. Informational item regarding Pier 45 Fish Processing Issues. (Staff report provided to the Commission.)

C. Approval to Advertise for Competitive Bids for the Piers 48 and 50 Fire Protection Project, Contract No. 2648. (Resolution No. 00-73) (Staff report provided to the Commission.)

D. Authorization to execute Contract Modification No. 1 for Construction Contract No. 2658, "Piers 1-1/2 to Marginal Wharf Repair, Phase I", with Power Engineering Contractors. (Resolution No. 00-74) (Staff report provided to the Commission.)

11. PLANNING & DEVELOPMENT

A. Authorization to enter into a contract with the consultant team led by Keyser Marston Associates Inc. to evaluate proposals received in response to the Piers 1½, 3, 5 Mixed Use Preservation Project Request for Proposals and to assist with negotiating the development agreement and lease for the Piers 1½, 3, 5 project. (Resolution No. 00-75) (Staff report provided to the Commission.)

12. FINANCE & ADMINISTRATION

13. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

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The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building. ***PLEASE NOTE: (The September meeting of the Southern Waterfront Advisory Group has been cancelled. The Committee will reconvene on Monday, October 9th.) In lieu of the September meeting, SWAC members and guest are invited to attend a tour of the Southern Waterfront Port property (Piers 80 to 98, including the Backlands) on September 30, 2000 from 10 a.m. to 12 noon. The group will assemble at the Ferry Building and space is limited to 45 guests. Please RSVP with Braj Norris at (415- 274-0540).***

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

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ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

September 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of Sublease between AMB Property, L.P. and AP Deli and Foods, Inc., a California corporation dba Pier One Deli, for lease of space at Pier 1

DIRECTOR'S RECOMMENDATION: APPROVE SUBLEASE BETWEEN AMB PROPERTY, L.P. AND AP DELI AND FOODS, INC., A CALIFORNIA CORPORATION DBA PIER ONE DELI, FOR LEASE OF RESTAURANT SPACE AT PIER 1

I. BACKGROUND

On August 2, 1999 the Port entered into a Development Agreement and a 50-year lease ("Lease") with AMB Property, L.P., a Delaware limited partnership, ("AMB") for lease of Pier 1. Pursuant to the Lease and Development Agreement, AMB is obligated to construct a restaurant in the space formerly occupied by the Pier One Deli. AMB proposes to build new improvements in this restaurant space and to sublease the space to AP Deli and Foods, Inc., a corporation doing business as Pier One Deli ("AP Deli"). The officers of AP Deli are George and John Apostolou, the former owners of the Pier One Deli.

Section 16.3(b)(ii) of the Lease provides that the Port may not withhold its consent to a sublease unless it determines that the proposed use is inconsistent with the Lease or the sublease fails to meet the Port's reasonable conditions. The Port is required to give consent within thirty (30) days after AMB's request.

The Port may condition its consent on any of the following conditions: (1) that the use be consistent with the Lease, (2) that the sublease is expressly made subject to the terms of the Lease, (3) that the term of the sublease does not extend beyond either the term of the Lease or beyond 10 years, (4) that AMB remains liable under the Lease, and (5) that the proposed subtenant provides adequate insurance and indemnification of the Port.

AMB has submitted its request for the Port's consent to a proposed sublease ("Sublease") between AMB and AP Deli, dated October, 1999.

II. SUBLEASE TERMS

The material terms of the Sublease include the following:

Use: The proposed use is for a deli-style casual dining restaurant.

Premises: Approximately 1,847 rentable square feet, located in the former location of the Pier One Deli (southwest corner of Pier 1), plus 812 square feet of patio area adjacent thereto for outdoor seating.

Term: Ten years, commencing 120 days after completion of Base Building Improvements.

Monthly Base Rent: $4,543.00 ($2.50/rsf/month), with annual CPI increases.

Percentage Rent: 7% of gross sales, offset by the monthly base rent.

Insurance/Indemnity: The Sublease provides that the Subtenant will name the City and the Port as additional insureds, and includes the City and Port within the scope of the indemnity.

Subject to Master Lease: The Sublease provides that is it subject to and subordinate to the Lease between the Port and AMB.

Port staff has reviewed the Sublease and finds that it meets the requirements for the Port's consent. The restaurant use is consistent with the Lease. The Sublease is made subject to the terms of the Lease; the term of the Sublease does not extend beyond the term of the Lease nor beyond 10 years; the Subtenant is required to indemnify the Port and to provide insurance naming the Port as an additional insured; and the Sublease does not affect AMB's continuing liability as the primary tenant under the Lease.

III. RECOMMENDATION

Port staff recommends that the Sublease between AMB Property, L.P. and AP Deli and Foods, Inc., a California corporation dba Pier One Deli, dated October 1999, for operation of a deli-style casual dining restaurant at Pier 1, be approved.

Prepared by: Jennifer Sobol
Pier 1 Development Project Coordinator

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-72

WHEREAS, Charter Section B 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, On August 2, 1999 Port entered into a 50-year lease ("Lease") with AMB Property, L.P. ("AMB"), for lease of Pier 1. Pursuant thereto, AMB has the obligation to construct a restaurant in the space formerly occupied by the Pier One Deli; and

WHEREAS, AMB proposes to construct such a restaurant and has requested Port's consent to a proposed sublease ("Sublease") with AP Deli and Foods, Inc., a California corporation dba Pier One Deli, for sublease of the space, to be used for a deli-style restaurant. The terms of the Sublease are as set forth in the Memorandum to the Port Commission for July 25, 2000; and

WHEREAS, the Lease provides that the Port may not withhold its consent unless it determines that the proposed use would be inconsistent with the Lease, or the Sublease fails to meet the Port's reasonable conditions; and

WHEREAS, Port may condition its consent on 1) the use being consistent with the Lease, (2) that the Sublease is subject to the terms of the Lease, (3) that the term of the Sublease does not extend beyond the term of the Lease or beyond 10 years, (4) that AMB remains liable under the Lease, and (5) that the proposed subtenant provides adequate insurance and indemnification of the Port; and

WHEREAS, Port staff has reviewed the subject Sublease and found that it meets all of the requirements for the Port's consent; and now, therefore, be it

RESOLVED, that the Port Commission hereby consents to the Sublease dated October 1999 between AMB Property, L.P. and AP Deli and Foods, Inc., for sublease of restaurant space at Pier 1, and authorizes the Executive Director, in consultation with the City attorney, to execute any further documents or take further actions as are necessary to implement the approved Sublease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 19, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

September 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF ASSIGNMENT OF BRITISH PACIFIC AGGREGATES, LTD. MARINE TERMINAL LEASE AGREEMENT AT PIER 94 TO HANSON AGGREGATES MID-PACIFIC, INC.

DIRECTOR'S RECOMMENDATION: APPROVE ASSIGNMENT OF MARINE TERMINAL LEASE AGREEMENT FROM BRITISH PACIFIC AGGREGATES, LTD. TO HANSON AGGREGATES MID-PACIFIC, INC.

BACKGROUND:

On August 1, 2000 the Port and British Pacific Aggregates, LTD., a British Columbia Corporation entered into a five year lease for approximately 261,360 square feet of paved land at Pier 94, an option on approximately 174,280 square feet of paved land at Pier 94, a non-exclusive berth at Pier 94 and non–exclusive easement rights for set-up and operation of a hopper system and truck access. (Port Commission Resolution No. 00-54)

British Pacific Aggregates, Ltd. now seeks to assign this lease to Hanson Aggregates Mid-Pacific, Inc., a Delaware corporation. The terms of the proposed assignment would assign all of British Pacific Aggregates, Ltd. rights, title and interest in the Lease to Hanson Aggregates Mid-Pacific, Inc.

Section 21.3 of the Lease requires the Tenant to provide the Port with certain documentation about the assignment and assignee, including a description of the terms and conditions of the transfer and complete information regarding all payments to be made or other consideration to be given in connection with the transfer. A copy of a letter from the proposed assignee is

attached hereto, describing the nature of the transaction, and the fact that the lease assignment is being made in connection with the sale of a quarry in British Columbia, and that the consideration therefor is the assignee's assumption of the obligations thereunder and the undertaking of a geotechnical study. The City Attorney's Office has reviewed the transfer documents, confirming the representations made in the attached letter.

Section 21.4 of the Lease gives the Port the right to condition its consent on a number of conditions. In this case, the primary condition would be that the proposed transferee expressly assumes all obligations of Tenant under this Agreement without releasing the Tenant therefrom. The proposed form of assignment requires the assignee to assume all obligations under the Lease, and does not release the original tenant. The assignee has provided the Port with the required security deposit and insurance certificate.

Hanson Aggregates Mid-Pacific, Inc. is a current tenant of the Port of San Francisco under Lease No. L-12839 on SWL 352 and the Port Collection Department has approved the creditworthiness of the proposed assignee. Hanson has also requested the Port to execute an estoppel certificate, representing, among other things, that no defaults currently exist under the Lease and that the Lease is in full force and effect.

Prepared by: Jill Simpson, Maritime Marketing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-77

WHEREAS, Section B3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands with Port Jurisdiction; and

WHEREAS, British Pacific Aggregates, Ltd., a British Columbia Corporation as "Tenant" under the Port's Maritime Terminal Lease Agreement has requested approval of its assignment of this Lease Agreement to Hanson Aggregates Mid-Pacific, Inc., a Delaware Corporation; and

WHEREAS, Port staff has determined that the proposed assignee, Hanson Aggregates Mid-Pacific, Inc, a current tenant of the Port of San Francisco, possesses sufficient creditworthiness to assume all of the obligations of the Tenant under said lease; and

WHEREAS, Port staff has negotiated the terms of an Assignment of Lease agreement on terms and conditions consistent with those outlined in the Memorandum to the Port Commission for Agenda Item 8A of the Port Commission meeting on September 19, 2000, a copy of which Assignment of Lease Agreement is available for public inspection with the Port Commission Secretary; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby approves the terms an conditions of and authorizes the Port Executive Director, to execute that certain form of Assignment of Lease as filed with the Commission Secretary, whereby British Pacific Aggregates, Ltd., a British Columbia corporation, Tenant under Port Maritime Terminal Lease Agreement dated August 1, 2000, assigns the right and title of its leasehold to Hanson Aggregates Mid-Pacific, Inc., a Delaware Corporation, subject to the prior execution of the Assignment of Lease by those parties; and be it further

RESOLVED, that the San Francisco Port Commission hereby authorizes the Port Executive Director to execute an estoppel certificate in substantially the form as is on file with the Port Commission Secretary, and in such final form as is approved by the City Attorney's Office, and to take such further action in consultation with the City Attorney's Office as is necessary to implement the proposed assignment.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 19, 2000.

_____

Secretary

SAN FRANCISCO
PORT COMMISSION

SEP 1 3 2000

Legal Department

Hanson

Hanson Building
Materials America
Michael H. Hyer
Vice President
& General Counsel
2680 Bishop Drive, Suite 225
San Ramon, CA 94583-4280
Tel. 925 244 6513
Fax 925 244 1064
mhyer@hansonaggwest.com

Via Overnight Delivery

September 12, 2000

Mr. Neil Sekhri
Port of San Francisco
Ferry Building
San Francisco, CA 94111

Re: British Pacific Aggregates
Hanson Aggregates Mid-Pacific
Assignment of Marine Terminal Lease

In connection with the Port Commission's review of the planned assignment by British Pacific Aggregates to Hanson Aggregates Mid-Pacific, Inc. of the Marine Terminal Lease dated as of August 1, 2000, enclosed are:

A check in the amount of $94,089.60 for the security deposit

An insurance certificate for Hanson Aggregates Mid-Pacific, Inc.

The transfer of this Port Lease by British Pacific Aggregates to Hanson Aggregates Mid-Pacific is ancillary to a larger transaction involving the acquisition of aggregate mining rights on Nelson Island in British Columbia. The acquisition documents are still in a draft stage. Michael Hill at Pillsbury, Madison & Sutro in San Francisco has a copy of the most recent draft which is available for your review in his offices.

The consideration for this assignment is the assumption by Hanson Aggregates Mid-Pacific, Inc. of the tenant's obligations under the lease, including payment of the security deposit and the performance of the geotechnical study, the cost of which is now estimated by our contractor as approximately $100,000. There is no other consideration attributable to the assignment of this lease.

Please feel free to contact me with any questions in this regard.

Yours truly,

Michael H. Hyer

Enclosures

cc: Michael H. Hill (PM&S)
Rod Fortin (BPA)
Dan Grant (HBMA)

ACORD CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)
08/25/00

PRODUCER
MARSH USA INC.
44 WHIPPANY ROAD
P.O. BOX 1966
MORRISTOWN, NJ 07962-1966

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THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

INSURED
HANSON AGGREGATES MID-PACIFIC, INC.
3000 BUSCH RD., P.O. BOX 580
PLEASANTON, CA 94566-0808

COMPANY A ROYAL INDEMNITY COMPANY

COMPANY B N/A

COMPANY C

COMPANY D

RECEIVED
AUG 28 2000
MICHAEL H. HYER

COVERAGES This certificate supersedes and replaces any previously issued certificate.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS		
A	GENERAL LIABILITY	RTV 460095	05/01/00	10/01/00	GENERAL AGGREGATE	$	4,000,00
	X COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG	$	2,000,00
	___ CLAIMS MADE [X] OCCUR				PERSONAL & ADV INJURY	$	2,000,00
	___ OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE	$	2,000,00
	X CONTRACTUAL LIABILITY				FIRE DAMAGE (Any one fire)	$	500,00
					MED EXP (Any one person)	$	5,00
A	AUTOMOBILE LIABILITY	RTT 460096	05/01/00	10/01/00	COMBINED SINGLE LIMIT	$	2,000,00
	X ANY AUTO	RTT 460097 (TX)					
	___ ALL OWNED AUTOS				BODILY INJURY (Per person)	$	
	___ SCHEDULED AUTOS						
	___ HIRED AUTOS				BODILY INJURY (Per accident)	$	
	___ NON-OWNED AUTOS						
					PROPERTY DAMAGE	$	
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$	
	___ ANY AUTO				OTHER THAN AUTO ONLY:		
					EACH ACCIDENT	$	
					AGGREGATE	$	
	EXCESS LIABILITY				EACH OCCURRENCE	$	
	___ UMBRELLA FORM				AGGREGATE	$	
	OTHER THAN UMBRELLA FORM					$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	RTO 460098	05/01/00	10/01/00	X STATUTORY LIMITS		
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: ___ INCL ___ EXCL				EACH ACCIDENT	$	1,000,00
					DISEASE - POLICY LIMIT	$	1,000,00
					DISEASE - EACH EMPLOYEE	$	1,000,00
	OTHER						

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS LIMITS MAY HAVE BEEN REDUCED BY PAID CLAIMS AND MAY HAVE DEDUCTIBLES OR RETENTIONS.

THE CITY AND COUNTY OF SAN FRANCISCO AND THE SAN FRANCISCO PORT COMMISSION AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AN AGENTS ARE INCLUDED AS ADDITIONAL INSUREDS BUT ONLY AS RESPECTS THE INSUREDS NEGLIGENCE AS RESPECTS MARINE TERMINAL LEASE. WAIVER OF SUBROGATION WORDING IS IN FAVOR OF CERTIFICATE HOLDER.

CERTIFICATE HOLDER NYC-000481419-00

DIRECTOR OF MARITIME
SAN FRANCISCO PORT COMMISSION
ROOM 3100
FERRY BUILDING
SAN FRANCISCO, CA 94111

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURANCE COMPANY WILL ~~ENDEAVOR TO~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF~~ ~~ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES~~

~~AUTHORIZED REPRESENTATIVE~~ MARSH USA INC.
Robert S. Fissel

ACORD 25-S (3/93)

© ACORD CORPORATION 199

POLICY NUMBER RTV 460095 COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS (FORM B)

This endorsement modifies insurance provided under the following

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Any Owner, Lessee or contractor for whom Hanson Aggregates Mid-Pacific Inc. and its affiliated and subsidiary companies are obligated to provide insurance such as is afforded by the terms of this policy.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

Authorized Representative

Primary/Non-Contributory Clause
It is further agreed that the insurance provided by this endorsement is Primary. Other insurance afforded to the Additional Insured shall be Excess of and does not contribute with, the insurance provided by this endorsement.

Copyright Insurance Services Office, Inc., 1984

Hanson
Hanson Aggregates
Mid-Pacific, Inc.

3000 BUSCH ROAD
PLEASANTON, CA 94566
PHONE: 925-846-8800

MELLON BANK, N.A.
PHILADELPHIA, PA (0310)
PAYABLE THROUGH
MELLON BANK (DE) N.A.,
WILMINGTON, DE

62-4
311

CHECK NUMBER
003363

CHECK DATE AUG. 24,2000

SECURITY FEATURES INCLUDED ● DETAILS ON BACK

CHECK AMOUNT
$**94,089.60

PAY **NINTY-FOUR THOUSAND EIGHTY-NINE DOLLARS AND 60/00*** DOLLARS

TO THE ORDER OF:

PORT OF SAN FRANCISCO

NOT PAYABLE 6 MONTHS FROM DATE OF ISSUE

⑈003363⑈ ⑆031100047⑆ 2⑈955 110⑈

Hanson Aggregates Mid-Pacific, Inc. 3000 BUSCH ROAD, PLEASANTON, CA 94566, PHONE: 925-846-8800

PORT OF SAN FRANCISCO

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Writer

MEMORANDUM

September 12, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF ONE-YEAR LEASE WITH THE ECONOMIC OPPORTUNITY COUNCIL OF SAN FRANCISCO AT PIER 27 (THE EMBARCADERO AT LOMBARD STREET).

DIRECTOR'S RECOMMENDATION: APPROVE LEASE WITH THE OPPORTUNITY COUNCIL OF SAN FRANCISCO

BACKGROUND

The Economic Opportunity Council of San Francisco ("E.O.C.") is a San Francisco-based non-profit corporation. The EOC manages the San Francisco Commodity Supplemental Food Program, a project partially funded by the United States Department of Agriculture. This program distributes U.S. Department of Agriculture surplus food commodities directly to needy families and agencies serving the poor and undernourished in the City and County of San Francisco. The EOC currently occupies a 24,000 square foot warehouse near Cesar Chavez Boulevard and Tennessee Street. The rents for this facility rose 78% over the last year. The building has now been sold and the EOC must vacate its warehouse to make room for the new owner/operator.

The EOC has approached The Port of San Francisco for space to replace this soon to be vacated warehouse. Port staff has identified only one Port facility that will accommodate the EOC's needs, 20,000 square feet of Shed Space now occupied by the X-Games at Pier 27. The X-Games anticipated departure would make this space available. Although the Pier 27 facility will be a part of the soon to be issued Request for Proposals for the redevelopment of Piers 27-29 and 31 as a recreation and retail complex, EOC seeks only an interim location to accommodate its needs while it seeks the time and resources to secure another facility in the City.

The EOC and the Port Real Estate Staff have negotiated the terms of a lease (Lease No. L-12989) on the following terms and conditions.

Tenant:	**The Economic Opportunity Council of San Francisco ("EOC")**
Premises:	**20,000 square feet of Shed Space at Pier 27**
Term:	**One (1) Year**
Rent:	**$4,000 per month**
Use:	**Warehousing and distribution of foodstuffs and directly related general Administrative offices**

Port Commission approval is required to permit the lower than Port Commission approved rental rate. Current Port Commission rental rates for the Pier 27 facility establish a $.48 per square foot rental rate minimum. The proposed EOC lease provides for a rental rate of $.20 per square foot.

Prepared by: Nicolas J. Dempsey, Senior Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-76

WHEREAS, City and County of San Francisco Charter Section B3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within the jurisdiction; and

WHEREAS, the Economic Opportunity Council of San Francisco has approached the Port to lease a portion of Pier 27 to warehouse and distribute supplemental food commodities to the needy of San Francisco; and

WHEREAS, the Economic Opportunity Council of San Francisco and the Port Real Estate staff have negotiated the terms of a lease (Lease No. L-12989); now therefore be it:

RESOLVED, that the Port Commission hereby approves Lease No. L-12989 between the Port and the Economic Opportunity Council of San Francisco on the terms and conditions set forth in the memorandum for Item 9A of the Port Commission's September 19, 2000 meeting, a copy of which is on file with the Port Commission Secretary and in such form as is approved by the Executive Director, or his designee and the City Attorney.

I hereby certify that the Port Commission at its meeting of September 19, 2000 adopted the foregoing resolution.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

September 15, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational item on the emergency declaration for work on Wharf J-10

DIRECTOR'S RECOMMENDATION: THIS IS AN IFORMATIONAL ITEM

On Wednesday, August 16, 2000, Port staff conducted a review of the substructure portion of Wharf J-10 in the Fisherman's Wharf area, and found the pier to be structurally unsound. Initially, Port engineering staff recommended vacating the building on Wharf J-10 and studying alternatives to demolish the entire structure. However, seeking an independent expert opinion, the Port's engineering staff directed an outside consultant, Structus Consulting Engineers (Structus), to perform a further structural analysis of the wharf. Structus subsequently confirmed engineering staff's concerns regarding the structural condition of the wharf, and reported that the major structural members supporting Wharf J-10 and the building located thereon were severely deteriorated and in danger of potential collapse. Consequently, Structus recommended that the building be vacated and the Port determine appropriate emergency measures – including demolition - to prevent collapse of the wharf and building. These independent findings confirmed that the structure was unsafe for further occupancy.

To protect the safety of the tenants and public, the Port declared and emergency for this area on August 23, 2000. On August 24, 2000 the Port notified the two tenants at Wharf J-10, F. Alioto Fish Company and California Shell Fish Company, that they were ordered to vacate the unsafe structure within seven days. The tenants vacated their spaces and in the case of F. Alioto Fish Company, Port staff assisted the tenant by relocating this portion of their businesses to other facilities at the Port.

This Print Covers Calendar Item No. 10A

Under emergency circumstances, Section 6.60 of the San Francisco Administrative Code permits the department head to proceed with emergency work estimated less than $250,000 in cost without further approvals. Should the estimated cost of emergency work exceed $250,000, the Executive Director should notify the Board of Supervisors. In this case, Port staff expects the Port's operating budget will cover the immediate emergency work, but we do not have an estimate for the cost of the work at this time.

In order to effectively respond to the emergency status of the wharf and determine its appropriate future use, the Port needs the immediate services of at least two outside consultants: (1) a structural engineering consultant to determine the safest and most economical method of temporarily supporting the pier and building, which will entail development of plans and cost estimates for reconstruction, repairs, or demolition of the facility, and (2) a historic preservation consultant to analyze the historic nature of the wharf and its unique role in the fishing industry which must be considered as part of any effort to repair, restore, or demolish the structure.

For structural engineering services, the Port is negotiating a contract with Structus under the emergency declaration to perform the following services:

1) Develop a plan and cost estimate to shore Wharf J-10 and keep it standing on an unoccupied basis. The consultant cost for this work is $21,600.
2) Provide a plan and cost estimate to repair and rebuild the existing Wharf J-10 to current code.
3) Develop a plan and cost estimate to demolish Wharf J-10 and replicate the existing facility with new construction to current code.
4) Develop a plan and cost estimate to completely rebuild Wharf J-10 as a new fish processing facility built to current code.

Item 1 will provide the Port with a plan to proceed on an emergency basis to keep the wharf standing on an unoccupied basis until decisions are made regarding the future uses of Wharf J-10. The results of items 2, 3, and 4 will facilitate the Port's ability to determine the appropriate future uses of the wharf.

With regard to evaluating the historic significance and uses of the wharf, the Port is negotiating with a historic preservation consultant, Architectural Resources Group, for necessary services, including assessment of the building for historic preservation and appropriate future development.

Upon receipt of the temporary shoring plans, Port staff intends to proceed on an emergency basis to shore the wharf. After receipt of the other engineering information Structus is developing, Port management will carefully consider the next steps to take with Wharf J-10 and the building. As this information develops, Port staff will keep the Commission apprised of the results of the Structus studies.

Prepared by Cliff Jarrard, Chief Harbor Engineer

PORT OF SAN FRANCISCO

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MEMORANDUM

September 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Status Report – Pier 45 Fish Processors

DIRECTOR'S RECOMMENDATION: THIS IS AN INFORMATIONAL ITEM

I want to update the Commission on the current inspection activities at Pier 45, sheds B & D. Port staff has concentrated our efforts to ensure that all leaseholders are inspected and that code violations, be they health, fire, building, water quality, and hazardous materials, are identified and corrected. All areas at Pier 45, sheds B & D were inspected. Each of the agencies that participated in the inter-agency inspection is following up with individual tenants to correct violation or take other action as needed.

Code Compliance:

Attached is a spreadsheet summarizing the building code enforcement activities by the Port. Of the 16 tenants with violations, 8 building permits were issued, two tenants refused to apply for a building permit, one 45 day extension was approved, one package was rejected and will be resubmitted. Two spaces are not currently in operation, and the Port will terminate the leases effective October 1, 2000. Staff will issue follow up notices, and refer the matter to the City Attorney's Office if they do not comply.

After the initial inspections and enforcement activities, staff began to address the allegations that some firms had done construction work without proper permits and/or not met Health Department requirements. Tenants with improvements without approved plan in our permit files were notified by the Chief Building Inspector to submit a copy of their approved plan for improvements or to submit a building permit application after the fact.

In the past, Port plan review staff did not refer electrical and plumbing permits to the Health Department for approval. There was also a distinction between businesses that distributed fish and those that processed fish; with fish processing being held to a higher standard. From now on, all permits, including electrical and plumbing permits relating to the fish handling business, will be forwarded to the Health Department for review and approval. Beginning January 2001, no fish handler will be allowed to operate without first obtaining a permit from the State Health Department.

Two years ago, the engineering group recognized the need for better turn around time and consistency from our plan check and inspection group. A dedicated plan checker was hired to provide plan-checking services, and a new inspector was hired to perform the building code functions. Six months ago, the construction management function, which was part of the Chief Building Inspector's duties, was transferred to a new Construction Management group. This was done in recognition of plan checking and inspection work that will be generated by the planned development of Port properties and the aging waterfront. Plan checking and inspection are a developmental process. We learn from experiencing actual situations to better understand and interpret the codes. We strive to be uniform and consistent in the application and enforcement of the building code.

Water Quality:

Pier 45 complies with the wastewater/stormwater regulations with two exceptions:

1) The Regional Water Quality Control Board (RWQCB) has decided that rinse-water from washing down the apron is wastewater and should be collected in a gutter and discharged to the sewer system. We will continue to instruct our tenants to follow the best management practices that we issued to them previously and work with the RWQCB on enforcement issues.
2) None of the tenants have stormwater discharge permits and the RWQCB has decreed that they should. Tenants must apply to the RWQCB for this permit. We sent a letter to all of our fish processing tenants notifying them of the stormwater permit requirement. We are scheduling individual meetings with each tenant to go through the permit requirements, assist them with the application, and answer questions.

ADA Issues:

When the seismic upgrades funded by FEMA and other improvements funded by grants from the Federal Economic Development Agency and the State were completed in 1995, parking and building entrances complied with ADA. Since that time, new uses of shed A, relocation of parking to shed C, and new informal parking adjacent to leased buildings have changed the originally designated accessible path of travel and parking layout. I have directed Port engineering staff to design a solution that will accommodate the changes while providing the required accessibility to meet ADA. The Port will use its operating fund at Pier 45, if necessary, to meet ADA requirement by May 2001.

Port Staff and the member agencies of the Pier 45 Task Force met on August 22 with staff from Supervisor Ammiano's offices to clarify specific concerns. A specific inspection priority list was developed during the meeting, see attachment (2). Staff has prepared an initial respond to the priority list, and will work with State Health and DPH to address some of the issues in detail.

The Pier 45 Task Force members are scheduled to meet again with Supervisor Ammiano's staff the end of September or the first week of October. The facilitation by the Supervisor's office has been most helpful. I will provide a written report to the Commission on our progress in subsequent to our next meeting with Supervisor Ammiano.

Prepared by: Alex Lee, Director of Facilities & Operations

Pier 45 Violation Notice Status

Updated 9/12/2000

Index No.	Space	Tenant	Date Inspected	Violations	Violation Notice Sent	Violation Notice Received by Tenant	Applied for a Building Permit	Building Permit Issued	Work Complete/Final Inspection Made by the Port	Comments
1	B-2	Cohan Seafood	5/19/00	BC, EC	6/22/00	6/26/00	8/11/00	8/11/00		
2	B-3	Monterey Fish / T.M. Tobin	5/19/00	BC, EC	6/22/00	6/24/00	9/8/00			7/6 Letters from Cohan & Alber allowing T.M. Tobin to use their restroom facilities. 8/1 Letter from Port approving use of alternate restrooms. 8/7 Tom Tobin indicated permit would be coming this week now that he has had ruling by State Health that a bathroom was not required within his space.
3	B-4	Alber	5/19/00	BC, PC	6/22/00	6/26/00	7/6/00	7/31/00		
4	B-5	All Shores	5/19/00	BC,EC, PC	6/22/00	6/23/00				7/6 Fax from tenant requesting to perform work without a permit. 7/7 Letter from Port requesting a permit be filed. 8/18 Port inspector contacted tenant asking if tenant intended to apply for a permit to perform inspections. Tenant informed inspector he was checking the code to see if a permit was required.
5	B-6	Caito	5/19/00	BC	6/22/00	6/23/00	6/29/00	7/6/00	8/7/00	
6	B-7	Caito	5/19/00	BC, PC	6/22/00	6/23/00	6/29/00	7/6/00	8/7/00	
7	B-8	Costarella	5/19/00	BC	6/22/00	6/23/00	8/3/00	8/3/00		
8	B-9	Capilano	8/18/00	BC, EC, PC	**Pending**					**Not operating / Port to terminate lease effective 10/1/00.**
9	B-10	La Rocca	5/19/00	BC, EC, PC	6/22/00	6/28/00	7/25/00	7/28/00		6/28 Letter requesting to perform work without a permit. 6/30 Port asked for a permit to be filed
10	B-11A	Seafood Wholesale	8/9/00	BC, EC	9/12/00					
11	B-11B	North Atlantic	5/19/00	BC	6/22/00	6/23/00				8/16 Tenant verbally informed Port inspector a permit would not be applied for.
12	D1 & D2	H & N	5/19/00	BC	6/22/00	6/23/00	8/17/00	8/17/00		7/31 Tenant requested a permit application. 8/16 Tenant verbally informed Port inspector a permit would be applied for.
13	D3 & D4	North Coast	5/19/00	BC, EC	6/22/00	6/28/00				8/15 T.I. package submitted by tenant is not acceptable, no application, incomplete technical data, tenant notified. 8/16 Tenant via phone informed Port a permit would be applied for to correct violations.
14	D-5	Morgan	5/19/00	BC, EC	6/22/00	6/27/00	8/23/00			8/16 Tenant verbally informed Port inspector a permit would be applied for.
15	D-6	**Vacant / Empty**								
16	D-7	TJ Nevada	8/9/00	BC, EC	9/12/00					
17	D-8	Pazzola	5/19/00	BC, PC	6/22/00	6/23/00	9/6/00			* 7/11 Letter requesting a 45 day extension so plans can be developed for a new office & restroom. 7/27 Letter from Port approving a 45 day time extension.
18	D-9	Woodbine Alaska	8/9/00	BC, EC, PC	**Pending**					**Not operating / Port to terminate lease effective 10/1/00.**

BC = BUILDING CODE (Structural, Accessibility, & Exiting Issues)
EC = ELECTRICAL CODE (Electrical Issues)
PC = PLUMBING CODE (Plumbing Issues)

"ATTACHMENT 1"

President
Board of Supervisors
City and County of San Francisco

TOM AMMIANO

Memorandum

To:	Port of SF, Regional Water Quality Control Board, State Health Dept., DPH, North Atlantic, All Shores
From:	Tomás
Date:	08-31-00
Re:	Follow Up with August 22 Meeting.

I have been trying to compile my notes from the August 22 meeting. I just wanted to get your feedback that these items were to be addressed. Plz let me know if this is accurate. I will return from vacation on 9/18 and convene a follow up meeting during the last week of September or beginning of October.

Inspection Priorities Pier 45 Sheds B & D

1. Complete review of permit files
   a. Minimum requirements for submittal

2. City Health Plan check inspection

3. Complete building inspection to include site inspection with all permitted plans in hand.

   a. Comparison of what was permitted to what was built
   b. Electrical inspection (walls exposed when necessary)
   c. Plumbing inspection (including work done under pier to verify connection with sewer lines
   d. Who performed work ? Insuring compliance with licensing and insurance requirements

4. Fire code (what is building type)
   a. To what standard are facilities to be constructed (one h our rating , non combustible ?
   b. To what standard are buildings constructed (wood roof , no sprinklers ?

1 Dr. Carlton B. Goodlett Place · San Francisco, California 94102-4535
Reception: (415) 554-5144 · TDD (415) 554-5227 · supammiano@aol.com

Firms for inspection (From Port Records)

B-3 Monterey Fish / T.M. Tobin
No city health plan check
Minimum requirements for submittal on work done
No record of site inspections

B-4 W.F. Alber (formerly Meatball Bait)
No city health plan check
Minimum requirements for submittal
Who made submittal and performed work
Plans in file do not reflect what was built
Framing done with wood instead of metal
No record of site inspections

B-6 & 7 Ciato Seafood
No city health plan check
Minimum requirements for submittal
Work done without permit (bathrooms, crab cookers)

B-9 Capillano Seafood
No files

B-11a Seafood Wholesalers ?
No city health plan check
Complete submittal never made
Who performed work?
No record of site inspections

D-3 North Coast Fisheries
No city health plan check
No plans on file yet complete facility exits
Who performed work?

D- 7 Nevada Seafood
No city health plan check
No files

D-8 Pezzolo Seafood
No city health plan check
Minimum requirements for permitting
Work done without permit (electrical, plumbing & refrigeration exist in facility)
No record of site inspections

OUTREACH AND EDUCATION EFFORTS

1. Establish structure and mechanism to educate tenants and subtenants regarding building, health, ADA, water quality and other codes
2. Multi-lingual outreach and educational materials

TRANSITION FROM COUNTY TO STATE ENFORCEMENT

1. What type of structure would be most effective in facilitating a smooth transition?
2. How will State Health Department be informed of permit requests
3. Interdepartmental communication with County and with Regional Water Quality Board

PORT OF SAN FRANCISCO

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MEMORANDUM

September 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Advertise for Competitive Bids for the Piers 48 and 50 Fire Protection Project, Construction Contract No. 2648

DIRECTOR'S RECOMMENDATION: TO AUTHORIZE STAFF TO ADVERTISE FOR COMPETITIVE BIDS FOR THE PIERS 48 AND 50 FIRE PROTECTION PROJECT, CONSTRUCTION CONTRACT NO. 2648.

Background

In order to accommodate the construction of Pacific Bell Ballpark the Port moved its Facilities Maintenance facility to Pier 50 Shed D, and relocated other tenants from Pier 46 to some of the other Sheds at Pier 50. As part of the relocation project for Port Maintenance and the other Port tenants, the Port planned to put sprinklers into the Sheds on Pier 50. This project was delayed, however, because the existing 8" water main is not adequate to supply a large sprinkler system.

In addition to supplying water to Pier 50, the water main is also needed to supply water for a potential sprinkler system at Pier 48. Pier 48 was damaged by fire in late 1996 and interior improvements are currently scheduled for the Shed. Port staff has negotiated an agreement with the insurance company to cover a portion of the cost of the new water main.

Contract

The Port staff has completed its final review of the contract documents for the Project and is now ready to advertise. The scope of the project includes the following items:

This Print Covers Calendar Item No. **10C**

- The contractor shall furnish, install, test, and warranty a new 12" ductile iron water main in Terry Francois Boulevard from Third Street to Mission Rock Street. This will include five new fire hydrants, new 8" fire services to Piers 48 and 50, and a new irrigation service to the park along China Basin.
- The contractor shall furnish, install, test, and warranty a new wet-pipe fire sprinkler system with alarms and controls in Shed A on Pier 50.
- The contractor shall furnish, install, test, and warranty new fire alarm systems and controls in Shed D on Pier 50.
- As an additive alternate bid item, the contractor shall quote a price to furnish, install, test, and warranty a new wet-pipe fire sprinkler system with alarms and controls in Shed B on Pier 50.
- As an additive alternate bid item, the contractor shall provide a price to furnish, install, test, and warranty a new fire water service, a new fire hydrant, new fire alarms and controls, and a new wet pipe fire sprinkler system in Shed C on Pier 50.
- As an additive alternate bid item, the contractor shall provide a price to furnish, install, test, and warranty a new wet pipe fire sprinkler system in the landside end of Pier 48, Shed A.
- As an additive alternate bid item, the contractor shall provide a price to furnish, install, test, and warranty a new wet pipe fire sprinkler system in the landside end of Pier 48, Shed B.

Staff has verified that the project modifications are consistent with the original BCDC permits and do not require permit amendments. In addition, the Port staff has reviewed the project for the concerns with disability access, environmental quality, and the Army Corps of Engineers have approved the project design. The Human Rights Commission has approved the MBE/WBE goals of 17% and 6%, respectively, for this project.

Funding

As previously mentioned, a portion of the cost of the new water main will be covered by Pier 48 fire insurance proceeds. The exact amount will be negotiated after the Port receives contract bids. The remaining funding will come from Port capital funds that have been previously appropriated for this project. The engineer's current cost estimate for the construction is $1,170,000 for the base bid items, including a reasonable construction contingency.

Therefore, staff requests permission to advertise for competitive bids for construction Contract 2648, "Piers 48 and 50 Fire Protection."

Prepared by: Skip Zeller
Mechanical Engineer

For: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-73

WHEREAS, Port staff has reviewed the plans and specifications for this construction project; and

WHEREAS, the Port has previously appropriated capital funding for this project; and

WHEREAS, the Port will supplement capital funding with fire insurance proceeds, when they become available; and

WHEREAS, additional funds are available through insurance proceeds resulting from the Pier 48 fire; and

WHEREAS, the current engineering cost estimate for the project construction, including a reasonable contingency, is $ 1,170,000; now therefore be it

RESOLVED, that the San Francisco Port Commission hereby authorizes Port staff to advertise for Competitive Bids for Contract 2648, "Piers 48 and 50 Fire Protection."

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 19, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Telex 275940 PSF UR
Fax 415 274 0528
Cable SFPORTCOMM
Writer

MEMORANDUM

September 15, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to execute Contract Modification No. 1 to Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I," for an additional amount of $423,181

DIRECTOR'S RECOMMENDATION: AUTHORIZE PORT STAFF TO EXECUTE CONTRACT MODIFICATION NO. 1 TO CONTRACT No. 2658, "PIERS 1-1/2 TO 5 MARGINAL WHARF REPAIR, PHASE I," AND AUTHORIZE AN ADDITIONAL 10% CONTINGENCY FOR POSSIBLE OTHER CONTRACT MODIFICATIONS

At its May 9, 2000 meeting, the Commission authorized award of Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I," to low bidder Power Engineering Contractors, Inc. at a cost of $999,701.00, and authorized a 10% contingency for a total contract award of $1,099,671.00. The work under this contract, as originally intended, was limited to the first bay of marginal wharf from Piers 1-1/2 to 5. The contract required that the work start on January 1, 2001, the date when the bulkhead buildings along Piers 1-1/2 to 5 would be vacated. Subsequent to the award of the contract, management decided that it would be necessary to maintain vehicular access to the Pier 3 parking facility and pedestrian access to Pier 3 throughout the construction and after the condemnation date of January 1, 2001.

To allow for continuous vehicular and pedestrian access to Pier 3 during and after the marginal wharf repairs, the contract scope must be expanded to include the entire 6 bays depth of the marginal wharf at Pier 3, and this additional scope of work must be completed before January 1, 2001, the original contract commencement date.

This Print Covers Calendar Item No. **10D**

Structus Consulting Engineers prepared the design plans for the additional work at Pier 3 after Port staff obtained Commission approval at its June 13, 2000 meeting to increase the amount of the Port's as-needed services contract with Structus.

The Port staff has submitted the plans to the contractor for pricing, and negotiated a price in the amount of $359,710 plus a $25,000 allowance for electrical power rerouting. The contract modification includes the closure of the public access corridor north of the Pier 3 entrance, with the provision of alternate access through the Pier 3 entrance.

The total contract award including the contract modification is as follows:

Contract Base Bid awarded:	$1,099,671
Contract Modification No. 1	384,710
Additional contingency	38,471
Total Amount authorized	$1,522,852

Therefore, to maintain vehicular access and pedestrian access to Pier 3 during and after the entire repair project, Port staff seeks Commission approval to execute contract modification No. 1 with the contractor to accomplish this necessary additional work.

Prepared by: Victor Yew
Project Engineer

For: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-74

WHEREAS, at its May 9, 2000 meeting, the Commission authorized award of Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I," to Power Engineering Contractors, Inc. at a cost of $999,701.00, and authorized a 10% contingency for a total contract award of 1,099,671.00; and

WHEREAS, the original contract was limited to the first bay of marginal wharf from Piers 1-1/2 to 5; and

WHEREAS, the date for commencement of work was delayed until January 1, 2001, the date when the bulkhead buildings along Piers 1-1/2 to 5 would be vacated; and

WHEREAS, subsequent to the award of the contract, Port staff determined that it was necessary to maintain vehicular access and pedestrian access at Pier 3 throughout the construction and after the condemnation date of January 1, 2001; and

WHEREAS, to allow for the continued vehicular and pedestrian access to Pier 3 during and after the marginal wharf repairs, the contract scope must to be expanded to include the entire 6 bays depth of the marginal wharf at Pier 3; and

WHEREAS, in order to provide Pier 3 parking and pedestrian access during the entire project, the new scope of work at Pier 3 must be completed before January 1, 2001; and

WHEREAS, the plans for the additional work at Pier 3 has been developed and submitted to the contractor for pricing; and

WHEREAS, Port staff has negotiated a price in the amount of $359,710 plus a $25,000 allowance for electrical power rerouting and gas line relocation; and

WHEREAS, this contract modification includes the closure of the public access corridor north of the Pier 3 entrance and providing alternate pedestrian public access to Pier 3 through the Pier 3 entrance; now therefore be it

RESOLVED, that the San Francisco Port Commission authorizes the execution of Contract Modification No. 1 to Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I," with Power Engineering Contractors, Inc. at an additional cost of $384,710, and a 10% contingency for a total additional amount of $423,181.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its special meeting of September 19, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
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Cable SFPORTCOMM
Writer

MEMORANDUM

September 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to enter into a contract with the consultant team led by Keyser Marston Associates Inc. to evaluate proposals received in response to the Piers 1½ - 3 – 5 Mixed Use Preservation Project Request for Proposals and to assist with negotiating the development agreement and lease for the Piers 1½ - 3 – 5 project.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ENTER INTO CONTRACT WITH THE CONSULTANT TEAM LED BY KEYSER MARSTON ASSOCIATES INC.

BACKGROUND

Request for Proposals for the Piers 1½ - 3 – 5 Mixed Use Preservation Project

On February 8, 2000, the Port Commission by Resolution No. 00-07 approved the development concept for the Piers 1½ - 3 – 5 Mixed Use Preservation Project ("Piers Preservation Project"), and authorized issuance of a Request for Proposals for the Piers Preservation Project ("Piers Preservation RFP"). The Piers Preservation RFP was subsequently issued on March 10, 2000, and its deadline for submittals was extended to August 31, 2000 while issues concerning the interface of the Piers Preservation Project and the adjacent Hornblower Yachts, Inc. leasehold were resolved.

The site for the Piers Preservation Project is shown on Exhibit A. The Port's primary goals for the Piers Preservation Project are stated in the following Mission Statement for this development opportunity:

> The goals of this development are to: (1) create an inviting mixed-use Project which will help attract the public to the Bay and enhance their waterfront experience; (2) preserve and rehabilitate the historic waterfront maritime buildings on the Site; and (3) provide rental revenue to the Port to support its public trust mandate.

The Project will have a quality design that is authentic to the historic maritime character of the Ferry Building Waterfront and the Northeast Waterfront. The Project will be designed to respect this character, to bring new commercial and maritime activity to the Ferry Building Waterfront, and to maximize public access to and enjoyment of the Project's spectacular waterfront setting.

Three proposals in response to the Piers Preservation RFP were submitted to the Port by the August 31, 2000 deadline. The respondents who submitted these proposals are listed below in alphabetical order. The development teams for these respondents are outlined in the attached Exhibit B.

- **Embarcadero Waterfront Partners, LLC:** Levin Menzies Kelly & Associates, LLC, the development manager.

- **San Francisco Waterfront Partners, LLC, joint venture:** Putnam Waterfront Partners, LLC, the managing member; and The Jefferson Company, the development manager, including construction management oversight.

- **Watermark Partners, LLC, joint venture:** Fidelity Partners, Inc., the managing member; and ING Realty Partners.

Consultant Request for Qualifications

On September 17, 1999, Port staff issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects ("Consultant RFQ"). The purpose of this Consultant RFQ was to create a list of Qualified Consultant Teams from which the Port could solicit proposals for planning and development consulting services. Each consultant team had to be led by a real estate economics consulting firm ("Lead Consultant"), and could include sub-consultants. Pursuant to San Francisco Administrative Code Section 12D, sub-consultant participation goals of 15% for Minority Business Enterprises (MBEs) and 5% for Woman Business Enterprises (WBEs) were established for the total contract dollars expended by the Port through this Consultant RFQ process.

Responses to this request for qualifications were received from the following six consultant teams (listed alphabetically by the Lead Consultant):

- Bay Area Economics
- Economic & Planning Systems
- Economic Research Associates
- Hausrath Economics
- Keyser Marston Associates, Inc.
- Sedway Group

Port staff determined that all six consultant teams met the Minimum Qualifications indicated in the

Consultant RFQ, and all six responding consultant teams were placed on the list of Qualified Consultant Teams from which the Port can solicit proposals for specific consulting contracts.

Consultant Request for Proposals

On July 26, 2000, Port staff requested proposals from all six Qualified Consultant Teams to provide consulting services regarding the Piers Preservation Project ("Consultant RFP"). The indicated scope of consulting services in the Consultant RFP consisted of two phases:

1. Phase 1 - to assist the Port in evaluating proposals received in response to the Piers Preservation RFP; and

2. Phase 2 - as needed, to assist the Port with negotiating the development agreement and lease for Piers Project.

Funding for this consulting work would be from the Pre-Development Studies Account (CPO 667-02) of the Port's Fiscal Year 2000/01 Capital Plan.

Respondents were requested to indicate in their proposals:

1. Their approach to providing consulting services.
2. Their previous experience with similar projects.
3. The fixed fee for Phase 1 work, and the hourly rates for Phase 2 work.
4. Their compliance with certain City requirements.
5. Their compliance with Human Rights Commission requirements.
6. A conflict of interest statement.

The evaluation criteria indicated in the Consultant RFQ consisted of:

1. Their approach to consulting services (20% weighting);
2. The experience of Lead Consultant, sub-consultants and assigned project staff (40% weighting);
3. The fee proposal for Phase 1 (35% weighting); and
4. The fee proposal for Phase 2 (5% weighting).

Rating bonuses were indicated to be in effect pursuant to Chapter 12D of the San Francisco Administrative Code.

Three responses to the Consultant RFP were received from Bay Area Economics ("BAE"), Keyser Marston Associates Inc. ("Keyser"), and the Sedway Group ("Sedway"). Two of the respondents indicated potential conflicts of interest which were considered significant by the City Attorney.

- The BAE consulting team proposal included EDAW, Inc. as a team member, and one of the responses to the Piers Preservation RFP included a letter of intent from EDAW, Inc. to lease

space in the proposed project. Per the City Attorney, this represents a significant conflict of interest, but because EDAW, Inc. would be a sub-consultant, rather than the Lead Consultant, BAE was given the opportunity to replace EDAW, Inc. on its team.

- Sedway indicated that it is a now a subsidiary of CB Richard Ellis, and one of the development teams responding to the Piers Preservation RFP includes CB Richard Ellis as the proposed development team member who would be responsible for leasing and property management for the Piers Preservation Project. Per the City Attorney, in that Sedway is the Lead Consultant, this represents a significant non-curable conflict of interest, which disqualifies the Sedway consulting team from the assignment indicated in the Consultant RFP.

The following table therefore summarizes the proposals of BAE and Keyser. This table indicates the members of these two consultant teams, their Phase 1 fee proposal, the project managers, whether the Lead Consultant is a MBE or WBE, and the percentage of the Phase 1 fee proposal allocated to MBE/WBE sub-consultants.

Lead Consultant:	**Bay Area Economics** – Financial capacity & experience – Market & financial evaluation – Economic feasibility – Overall evaluation against Selection Criteria	**Keyser Marston Associates Inc.** – Financial capacity & experience – Market & financial evaluation – Economic feasibility – Overall evaluation against Selection Criteria
Sub-Consultants:	– Design and historic preservation: Mike Garavaglia, AIA (replacing EDAW, Inc.) – Retail feasibility: Terranomics – Engineering: Olivia Chen Consultants (or other consulting engineer(s), as alternates depending upon proposals and issues)	– Waterfront design: BMS Design Group – Architecture and historic preservation: Esherick Homsey Dodge Davis – Environmental and transportation: Pittman & Hames (or other consulting engineer(s), as alternates depending on proposals and issues)
Phase 1 Fee Proposal)	$32,425.00	$62,000.00
Project Manager(s)	Janet Smith-Heimer (Principal) and Jonathan Stern (Senior Associate) of BAE.	Denise Conley (Principal) of Keyser, with Micheal Smiley of BMS heading design team.
Lead Consultant MBE or WBE:	Yes	No
Percentage of Phase 1 Fee allocated to MBE/ WBE sub-consultants:	15%	37%

EVALUATION OF PROPOSALS AND RECOMMENDATION

The two proposals submitted by BAE and Keyser in response to the Consultant RFP were

evaluated by Port staff using the evaluation criteria indicated in the Consultant RFP. The consultant team led

by Keyser received the highest overall score from Port staff, both before and after applying rating bonuses pursuant to Chapter 12D of the San Francisco Administrative Code. Keyser also received the highest ratings for Evaluation Criterion 1 (approach to consulting services) and Evaluation Criterion 2 (experience of Lead Consultant, sub-consultants and assigned project staff), although it received lower scores for Evaluation Criteria 3 and 4 (fee proposals for the Phase 1 and Phase 2 work).

Port staff therefore recommends that the Port Commission authorize Port staff to enter into a contract with the consultant team lead by Keyser for the Phase 1 and Phase 2 consulting services and the contract parameters indicated above in this Memorandum. Prior to commencing the Phase 2 work, a maximum contract price will be established for this Phase 2 work, which shall not exceed the delegated authority of the Executive Director without prior approval of the Port Commission.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-75

WHEREAS, the Port Commission, on February 8, 2000 by Resolution 00-02, authorized the issuance of a Request for Proposals for the Piers 1½ - 3 – 5 Mixed Use Preservation Project ("Piers Preservation RFP"); and

WHEREAS, the Piers Preservation RFP indicated that the proposals would be reviewed and evaluated by Port staff, possibly with the assistance of independent consultants; and

WHEREAS, Port staff on September 17, 1999 issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects, including Pier 45 Shed A ("Consultant RFQ"), and Port staff, with the assistance of representatives of the Human Rights Commission, undertook good faith efforts to ensure that disadvantaged minority and woman owned business enterprises were given an opportunity to submit a proposal or participate on a consultant team as a sub-consultant; and

WHEREAS, responses were received to this Consultant RFQ from six consultant teams, all of which were determined by Port staff to met the Minimum Qualifications indicated in the Consultant RFQ, and all six consultant teams were placed on the list of Qualified Consultant Teams from which the Port could solicit proposals for specific consulting contracts; and

WHEREAS, Port staff on July 26, 2000 requested proposals from all six Qualified Consultant Teams to provide consultant services regarding the Piers Preservation RFP ("Consultant RFP"), with the scope of services consisting of two phases: (1) Phase 1, assisting the Port in evaluating proposals received in response to the Pier Preservation RFP; and (2) Phase 2, as needed, assisting the Port with negotiating the development agreement and lease for the project with the developer selected pursuant to the Piers Preservation RFP; and

WHEREAS, responses to this Consultant RFP were received from three consultant teams, led by Bay Area Economics ("BAE"), Keyser Marston Associates Inc. ("Keyser"), and the Sedway Group ("Sedway"; and

WHEREAS, Sedway was determined by the City Attorney to have a significant non-curable conflict of interest with this particular assignment, and was therefore disqualified for this particular assignment; and

WHEREAS, Port staff evaluated the two remaining proposals submitted by BAE and Keyser, which are summarized in the Memorandum in Agenda Item 11A for the September 19, 2000 Port Commission meeting using the evaluation criteria indicated in the Consultant RFP, and rated the proposal submitted by the consultant team led by Keyser higher than that submitted by the consultant team led by BAE; therefore, now be it

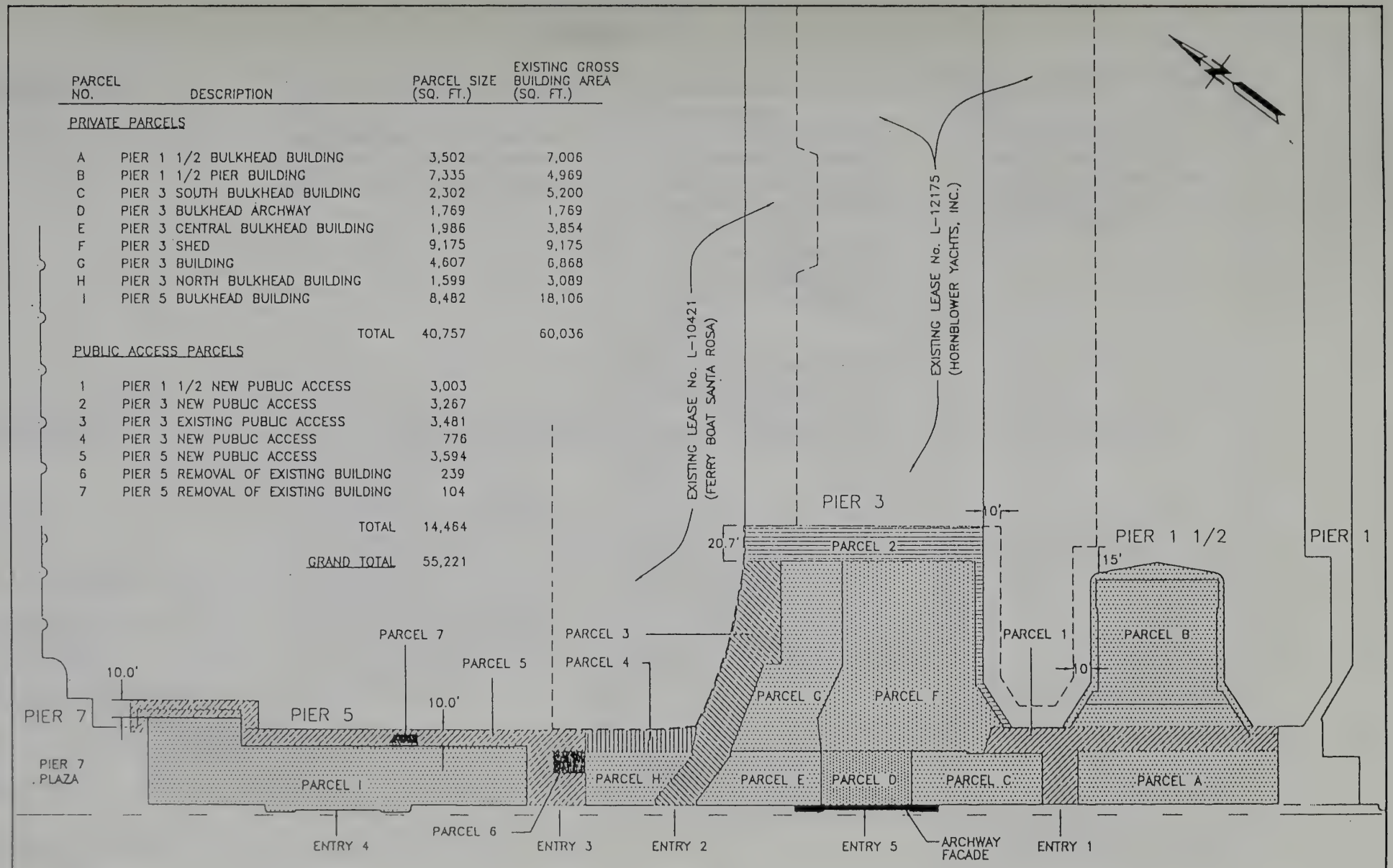
RESOLVED, that the Port Commission hereby authorizes and directs the Executive Director of the Port, or his designee, to enter into a contract with Keyser for the consulting services indicated in the Memorandum for Agenda Item No. 11A for the September 19, 2000 Port Commission meeting.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of September 19, 2000.

_____
Secretary

EXHIBIT A

PARCEL NO.	DESCRIPTION	PARCEL SIZE (SQ. FT.)	EXISTING GROSS BUILDING AREA (SQ. FT.)
PRIVATE PARCELS			
A	PIER 1 1/2 BULKHEAD BUILDING	3,502	7,006
B	PIER 1 1/2 PIER BUILDING	7,335	4,969
C	PIER 3 SOUTH BULKHEAD BUILDING	2,302	5,200
D	PIER 3 BULKHEAD ARCHWAY	1,769	1,769
E	PIER 3 CENTRAL BULKHEAD BUILDING	1,986	3,854
F	PIER 3 SHED	9,175	9,175
G	PIER 3 BUILDING	4,607	6,868
H	PIER 3 NORTH BULKHEAD BUILDING	1,599	3,089
I	PIER 5 BULKHEAD BUILDING	8,482	18,106
	TOTAL	40,757	60,036
PUBLIC ACCESS PARCELS			
1	PIER 1 1/2 NEW PUBLIC ACCESS	3,003	
2	PIER 3 NEW PUBLIC ACCESS	3,267	
3	PIER 3 EXISTING PUBLIC ACCESS	3,481	
4	PIER 3 NEW PUBLIC ACCESS	776	
5	PIER 5 NEW PUBLIC ACCESS	3,594	
6	PIER 5 REMOVAL OF EXISTING BUILDING	239	
7	PIER 5 REMOVAL OF EXISTING BUILDING	104	
	TOTAL	14,464	
	GRAND TOTAL	55,221	



APPROVED BY
SAN FRANCISCO PORT COMMISSION
DATE _____

SAN FRANCISCO PORT COMMISSION
PORT OF SAN FRANCISCO
DEPARTMENT OF ENGINEERING

DEVELOPMENT SITE
SITE PLAN (REVISED)

DRAWN BY: ECC	DATE: JUN 21, 2000
CHECKED BY: EB/XB	SCALE: NONE
DRAWING NO.	SHEET NO. 1

EXHIBIT B

Development Entity:	**Embarcadero Waterfront Partners, LLC**	**San Francisco Waterfront Partners, LLC, joint venture**	**Watermark Partners LLC, joint venture**
	Levin Menzies Kelly & Associates, LLC (Marvin Levin, Paul Menzies, Mike Kelly), Development Manager	• Putnam Waterfront Partners, LLC, the Managing Member (Donald Putnam, Chairman and Simon Snellgrove, President and Managing Member) • The Jefferson Company, the Development Manager and Construction Management Oversight Other Investors Heather King-McPherson, Overall Financial Responsibility	• Fidelity Partners, Inc., the Managing Member (Sandra Monteko, Joe Sherman, Herve Vatinel, Perry Raanan) • ING Realty Partners
Development Team:			
Legal Counsel	Crosby Heafy Roach & May: Eun Hee Chang (legal representative in negotiations) Baker & McKenzie: Tim Tosta	Farella Braun & Martell: Mary Murphy	Reuben & Alter: Jim Reuben
Architecture	Kwan Henmi Architecture/ Planning: Denis Henmi, Jeff Stahl	Richard Hannum & Assoc: Richard Hannum & Janine Moss	Heller-Manus Architects: Clark Manus, Peter Zepponi
Historic Preservation Architects	Page & Turnbull: John Turnbull, Frederic Knapp, John Alvarez II	Carey & Co. Inc: Alice Carey & Nancy Goldenberg	Architectural Resources Group: Bruce Judd
Landscape Architect	Stevens & Assoc: Myles Stevens		
Structural Engineers	Structus Consulting Engineers: Fu-Lien (Henry) Chang	Peter Culley & Assoc: Peter Culley & John Hare	Telesis Engineers: Charles Thiel
Pier Engineering Consultant			Hratch Kouyoumdjian & Associates: Michael O'Sullivan
Mechanical & Electrical Engineers		Glumac & Assoc: Dick Glumac, Rick Thomas & Michael Suttie	
Marine Engineers		Charles I. Rauw, Consulting Engineers: Charles Rauw	Power Engineering Contractors Inc: Ken Lindberg, David Mik
Geotechnical Engineers			Treadwell & Rollo: Frank Rollo
Public Affairs			Andrew Sun and Associates: Andrew Sun

Development Entity:	**Embarcadero Waterfront Partners, LLC**	**San Francisco Waterfront Partners, LLC, joint venture**	**Watermark Partners LLC, joint venture**
Environmental Advisors			Environmental Science Associates: Karl Heisler
Traffic Study			Korve Engineering: Paul Menaker
Interior Design		Hirsch Bedner Associates: Michael Bedner	
General Contractors	McCarthy Building Companies—Northern California Division: David Parkes, Michael Lipton	S.J. Amoroso: Dana McManus & George Leonoff	DPR Construction Inc: Greg Hulbert, Scott Reay
Interior Contractors		Fineline Group: John Santori	
Permitting			A.R. Sanchez Corea & Associates: Tony Sanchez
Leasing	CB Richard Ellis: Darin Bosch		Grubb & Ellis: John Jensen, Dan Cressman
Management & Operations	Levin Menzies Kelly & CB Richard Ellis: Darin Bosch	Putnam Waterfront Partners	
Tenants	Letter of interest from EDAW for 12,000 15,000 SF	Putnam Lovell and restaurant entities controlled by Snellgrove, Putnam and Putnam Waterfront Partners	
Lead Negotiator	Mike Kelly	Simon Snellgrove	Joseph Sherman

SF
955
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9/19/00
Special
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SAN FRANCISCO
PORT COMMISSION

SEPTEMBER 19, 2000
MINUTES OF THE SPECIAL MEETING

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MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
SEPTEMBER 19, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 3:04 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. NEW BUSINESS / PUBLIC COMMENT

Duane Stinson, Sinbad's Restaurant, outlined in their letter to the Commission a 10-year extension of their current lease which expires October 1st. Sinbad's has been a responsible tenant for over 27 years, paying over $3 million in rent. The last 11 years have been difficult due to construction projects that restricted their access and visibility. Their business has been severely impacted by the earthquake and subsequent projects. Sinbad's is one the seven union restaurants remaining in the City; two in the waterfront. It is their understanding that there is no planned activity involving their location for many years and therefore, asked the Commission to review their proposal compassionately and thanked the Commission for allowing them to be part of the waterfront.

Commissioner Brandon acknowledged and welcomed Supervisor Alicia Becerril.

Supervisor Becerril spoke about the preservation of the fishing industry as stated in the Burton Act as well as in the Waterfront Land Use Plan. As a result, the Port Commission, in 1997, passed a resolution adopting the guidelines recommended by the Pier 45 Advisory Group regarding long term uses for the Pier 45 Sheds A & C. Supervisor Becerril spoke about her recent meeting with the Fisherman's Wharf Merchants Association and reported their concerns about preserving the essence of the waterfront. At that meeting, a representative from San Mateo presented a plan that would ensure the preservation of the fishing industry and address the current issues and avoid recurrence.

With regard to fish alley, she understands that the Port is moving expeditiously to ensure accommodation for the tenants involved. Because of the lack of funding over the decades and condition of the piers, a question will be raised again in terms of the Port's commitment to the fishing industry. The Port's commitment to the fishing industry must be stated clearly to the community. This is an opportunity to convey the message by taking steps forward starting with the specific plan. With regards to the lack of funding, Senator Burton's office has committed to looking at the possibility of State funding. Supervisor Becerril offered to assist the Port in its discussions with Senator Burton's office to seek funds to ensure that fishing remains at Fisherman's Wharf. It is what Fisherman's Wharf is known for, it's what the people of San Francisco want to see and believes that is the Commission's intention as well.

Supervisor Becerril informed the Commission of a hearing that is scheduled before the Board of Supervisors regarding this matter and invited the Commission to attend and welcome the Commission's participation.

Dan Strazzullo, All Shores Seafood, indicated that approximately ten months ago, as a result of the complaints that he and Charlie Akwa made, the Commission directed Port staff to keep the Pier 45 tenants informed. A Pier 45 item is in today's agenda but yet if he had not browsed the Port's website, he would not have known about this issue being discussed at this meeting. Port staff has continually misled, lied, and dropped the ball on this issue. What the Port did at fish alley is a PR nightmare as well as that of Pier 45. Port has not followed through. The Port seemed to ignore the issues. The issues have not gone away. Everything stated in their letter has not been disproved. An inspection of the pier was done yesterday by City & Health State Departments. He asked the Commission to question its staff why they were not informed of yesterday's inspection. They were deliberately done without their knowledge.

3. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 3:15 p.m., convened in executive session to discuss the following:

B. CLOSED SESSION

(1) PUBLIC EMPLOYEE EVALUATION – This is specifically authorized under California Government Code Section 54957.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING AND ANTICIPATED LITIGATION MATTERS:

a. Discuss significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9 (1 case).

b. Discuss existing litigation matters pursuant to subdivision (a) & (d) of California Government Code Section 54956.9:

- CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-action, San Francisco Superior Court Case No. 989618 (Action Item)

Approval of settlement of litigation relating to construction defects and delays at Pier 35 (Port contract 2616) upon terms which include the Port's release of contract retention funds of

$332,649.79 plus a payment of $34,470.21 to plaintiff's surety, in exchange for (1) a mutual release of claims by all parties, subject to certain exceptions, (2) defendant contractor's agreement to perform remedial work, and (3) agreement by defendants Andrea "Ray" Minutoli, Alicia A. Minutoli, Katsuko Minutoli, Meridian Construction & Engineering, and American Contract Builders to permanent debarment from participating in future City contracts.

- Commercial And Interiors Construction, Inc., and CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-complaint, Santa Clara Superior Court Case No. 782855 (Action Item)

  Approval of settlement of litigation relating to construction defects and delays on Port contract 2594 (Ferry Building Seismic Repair Stage II) upon terms which include the Port's release of contract retention funds of $310,880 to plaintiff's surety.

- Alioto Fish Co., Ltd. v. CCSF, Superior Court Case No. 306-391. (Action Item)

  Approval of settlement agreement.

- Arthur Corona v. CCSF, San Francisco Superior Court Case No. 303734 (Discussion Item)

- Nguyen v. CCSF, San Francisco Superior Court Case No. 300653 (Discussion Item)

- Robert Noyer v. Flicka McGurrin dba Pier 23 Café, and City and County of San Francisco, San Francisco Superior Court Case No. 306211 (Discussion Item)

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Pier 94
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*British Pacific: John Chambers

b. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Municipal Railway: David Esparaza

c. Property: Ferry Building

Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Wilson Cornerstone: Chris Meany

d. Property: Property located at Pier 70
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*DPT: Steve Bell

e. Property: Property located at Embarcadero
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*DPT: Steve Bell

f. Property: Piers 1-½, 3, 5
Person Negotiating: Port of San Francisco: Kirk Bennett, Waterfront Development Project Manager

g. Property: Sinbad's Restaurant
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Sinbad's Restaurant: Thomas Stinson

h. Property: SWL 337
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*China Basin Ballpark Company: Jack Bair

4. RECONVENE IN OPEN SESSION

At 4:44 p.m. Commissioners Brandon, McWilliams, McCarthy, Hardeman and Lee returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval not to disclose any information discussed in executive session; Commissioner McCarthy seconded the motion.

5. APPROVAL OF MINUTES - August 15, 2000 Special Meeting
- August 28, 2000 Special Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. The minutes of the August 15 and 28 Special meetings were adopted.

6. EXECUTIVE

A. Executive Director's Report. Mr. Wong reported the following:

- Fleet Week – San Francisco will once again play host to the U.S. Navy for Fleet

Week 2000 from October 6-10. Most of the vessels will be available for public tours at certain periods over the weekend. The local port agent for the Navy ships is Inchcape Shipping Services. The Blue Angels flying team will have air shows at Municipal Pier from mid-day to 5:00 p.m. on Friday, Saturday and Sunday (October 6-8). Among the many special events for the visiting sailors (approximately 12,000 in all) will be a concert at Pier 30/32 on Saturday evening, October 7, sponsored by radio KYLD (Wild 94.9) and a barbeque at the same location Sunday afternoon, October 8.

- USS Iowa – On September 7, 2000, Secretary of the Navy Danzig informed Congresswoman Pelosi and Senator Feinstein of their intention to move the Iowa from Rhode Island to the Suisun Bay Reserve Fleet Facility at Benicia. The Suisun Facility is operated by the Maritime Administration.

  The IOWA is still an active battle ship and therefore has special security, infrastructure and maintenance needs which could not be accommodated at existing facilities at the Port of San Francisco without substantial investment of time and money.

  Secretary Danzig stated in his letter that after 2004, the IOWA could be made available for donation to a non-profit group for a public use. The Navy would use a competitive bid process to select a non-profit entity to take over the ship.

  The Port appreciates the support of Senator Feinstein, Representative Pelosi and the Mayor's Office who worked so hard to get the Federal funds for this relocation. The relocation of the Iowa to the San Francisco Bay Area is certainly a welcome announcement.

- Pier 45 Shed C

  Over the past several weeks, there has been a significant amount of discussion regarding the Port's commitment to the fishing industry. Yesterday, Supervisor Becerril requested a hearing to discuss the establishment of a comprehensive plan for the industry. Also, the Fisherman's Wharf Waterfront Advisory Committee held a meeting last week on this topic, and several members of the Advisory Group are in attendance today to address the Port Commission.
  The Port and the Port Commission recognize that the fishing industry is a crucial element of San Francisco's past, present and future, specifically at Fisherman's Wharf. The Port's commitment is articulated in the Waterfront Land Use Plan, stating the first objective for Fisherman's Wharf is to "restore and expand Fisherman's Wharf as a working fishing port."

  Since 1993, the Port and the Commission have dedicated significant effort and resources towards its commitment to the fishing industry and its future success:

  - In 1995, after an extensive community process, the Port completed a $13 million rehabilitation of Pier 45 Sheds B and D for the fish processing industry. The Port provided the space to fish processors at low cost rental rates

with the ten-year terms and an initial 6-month free rent. Eighteen fish processing businesses with over 200 employees now occupy these sheds.

- In January 2001, the Port will complete the development of Hyde Street Harbor, a 62-berth, $5.6 million modern facility.

- The Port established a permanent harbormaster's office at Fisherman's Wharf, replacing a temporary, trailer facility.

- The Port continues to offer low berth rates for fishing boats at its existing harbor facilities and provides inexpensive gear storage for fishermen at Pier 45 Shed D.

- The Port recently dredged the Fisherman's Wharf lagoon and fuel dock at a cost of $240,000 and installed new mooring piles in the lagoon at a cost of $180,000.

Looking to the future, the Port is moving forward with a planned study of the long-term demand needs of the entire fishing industry, which will examine:

- Current and projected demand for new facilities including fish processing facilities similar to those established within Sheds B and D at Pier 45 and other support facilities required by the fishing industry;

- Alternatives for providing the needed facilities and related support functions to address the current and projected demand; and

- An analysis of projected costs, revenues, possible funding sources and timetables for achieving the various alternatives.

The study will address Pier 45 Shed C, Wharf J-10, as well as other Port facilities that may be needed for fish processing and the fishing industry. Funding is available in the Port's current capital plan and staff will request be coming back to the Commission soon to authorize this expenditure.

The Port is also undertaking a community planning initiative with BCDC and the FWWAG for the Fisherman's Wharf area. This planning study will include a complete historic and structural survey of facilities in Fish Alley; an analysis of the best ways to meet the maritime, maintenance, and public access objectives for Fish Alley; and an analysis of the overlapping regulatory, financial and land use issues pertinent to achieving a consensus and design vision for the Fisherman's Wharf Plaza.

Tom Creedon, Chair of Fisherman's Wharf Waterfront Advisory Group, spoke in Alex Lee's defense. Mr. Lee is of the highest character and has delivered a lot to Fisherman's Wharf. He always makes himself available and his hiring of Tom Petersen, the Maintenance Superintendent, is the next best thing he's done.

Speaking on behalf of the Fisherman's Wharf Advisory Group, Mr. Creedon indicated that in 1996, with Port money, a consultant was hired to study Pier 45. It was determined, at that time, that Shed C should be reserved for the exclusive use of fish handling, processing and support truck access. In October 1997, the Port Commission passed a resolution in support of that determination. Since then, the facility has been offered for other uses. Mr. Creedon reiterated that there's no need for another study as a study has already been done.

Mr. Creedon indicated that Kirk Bennett was involved in the drafting of the Pier 45 RFP. There's no other person on Port staff more qualified, more knowledgeable, and more committed than Mr. Bennett. He has the highest integrity, has never spoken against his employers, and sticks strictly to the rules. He asked the Commission to reassign Mr. Bennett back to the Pier 45 project.

Mike Berline indicated that they understand that the Port supports moving the fishing industry into Shed C but a study has been done and it's time to move in. There is a crying need for the fishing industry to move in now.

Nan Roth, Telegraph Hill Dwellers, indicated that there has been an assumption that Shed C would be used for fish processing including the Waterfront Land Use Plan. The Commission passed a resolution in 1997 stating that Shed C would be reserved for fishing industry uses including fish processing, wholesale, truck access, storage and employee parking. It is important that the Commission at this time reaffirm its commitment to that policy.

Ms. Roth was also concerned that Port staff provided an extension to Red & White's 5-year lease at Shed C, where they maintain a trailer. A provision for termination was not included in their lease in the event that the space is needed for fish processing. There would not be enough room to accommodate the tenants at Pier 28/33 if they were relocated. There is sufficient justification for immediate action to utilize Shed C for fish processing.

Christopher Martin, Pier 45 CAC member, indicated that there is, in fact, a trailer at Shed C with a ten-year lease. This lease is in conflict with any potential expansion in the shed. There is a need for more space. The Port over the last 20 years has been committed to maintaining fishing at Fisherman's Wharf. Yet, with the 72-hour notice given at J-10 and the conflict at Shed A with the Bay Center vs. the Malrite, there is a need for strategic plan to accommodate the fishing industry in the future. There is a need to develop the same organizational model that other modern fishing ports along the coast utilize. Instead of looking at Shed C, the better way to spend the money is an overall comprehensive plan, a strategic plan for the harbor.

He concurred with Mr. Creedon's remarks about Kirk Bennett. Mr. Bennett is an outstanding representative from the Port. He is a person that should be involved with Pier 45 since he knows the issues and he is impartial. There is not a better person in the City to be involved in ongoing discussions on Pier 45.

Jennifer Clary, San Francisco Tomorrow chair and member of the FWAG, indicated that this is a Citywide issue. People all over the City are beginning to look at the waterfront. There is a need for strategic planning for the future of the fishing industry and focused planning effort. Shed C should not be part of that effort because it's been studied. What needs to be done is to implement the determination of the study. She echoed the other speaker's comments to move forward.

Commissioner Brandon asked for clarification about Red & White's lease at Shed C. Mr. Dempsey replied that the Red & White Fleet entered into a lease with the Port as part of its expansion. To his knowledge, the lease would have a standard Form 4.2 clause which gives the Port its usual right to terminate the lease for future Port projects.

Michael Larocca, a 20-year tenant at Pier 45, indicated that he was involved in the inspections at Pier 45. He was compelled to tell the Commission that it is imperative to have more room on Pier 45 for future expansion as he would like to have another lease at Shed B or Shed C.

Mr. Al Baccari indicated that he has served on the Waterfront Advisory Committee and currently serves on the Fisherman's Wharf Merchants Association.

In 1974, he chaired a committee for the Mayor regarding the preservation and beautification of Fisherman's Wharf. At that time, the then Port Director felt there was no need to maintain the concept of a fishing industry at the wharf. The City spent $250,000 on a report introducing a concept that maintenance of the fishing industry is important to maritime. There is no existing policy that permits the fishing industry not only to exist at Fisherman's Wharf but also have the vision and foresight that there could be other areas along the waterfront for economic, social and cultural developments. If a preventative procedure was in place and an engineering study was done at the same time as the waterfront study, there would not be a crisis today. The Port is now faced with a situation at Pier 45 and at fish alley. With Moscone's, Feinstein's, Agnos and Jordan's administration, Pier 45 was to be entirely dedicated for the fishing industry. The Port has a major obligation. The City, the government and in particular, the Mayor, wants to hear a response that a policy about the fishing industry will be established. There is no need for more studies. He urged the Commission to make a statement about keeping the fishing industry at Fisherman's Wharf. He challenged the Commission to be visionary dreamers. There's talent on staff and there's leadership. He asked the Commission not to play a monopoly game at the expense of other people. This City has its greatest opportunities. He asked the Commission to read the beautification and preservation study which states that the fishing industry stay at Fisherman's Wharf.

He hoped to hear the voices of the Commissioners that will have the courage and conviction to set the policy today. If nothing else, to make a statement that says, "keep the fishing industry at Fisherman's Wharf and on the waterfront."

Commissioner McCarthy confirmed that the Commission wants to keep fishing in Fisherman's Wharf. Commissioner Brandon concurred with Commissioner McCarthy's comments.

7. CONSENT CALENDAR

A. Approval of a sublease between AMB Property, L.P. and AP Deli and Foods, Inc., dba Pier One Deli, for sublease of space at Pier 1. (Resolution No. 00-72)

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-72 was adopted.

8. MARITIME

A. Approval of assignment of British Pacific Aggregates, Ltd. Marine Terminal Lease Agreement at Pier 94 to Hanson Aggregates Mid-Pacific, Inc. (Resolution No. 00-77)

Mr. Peter Dailey, Director of Maritime, presented the item and requested Commission's approval.

Jennifer Clary, Chair of San Francisco Tomorrow, asked if the Southern Waterfront Advisory Committee reviewed the proposal, if Hanson is going to vacate their current leasehold and why the Port negotiated a lease and six weeks later turned it over to another entity.

Mr. Dailey replied that the original British Pacific agreement was brought to SWAC twice for their review & approval. This agreement is loaded with significant environmental mitigation. The agreement mandates that British Pacific and/or Hanson abide by any environmental mitigation brought forth by the supplemental EIR. There are a hundreds of thousands of dollars over the life of the lease that the Port is offering as environmental credits that was developed with the environmental community in the southern waterfront as a financial incentive for British Pacific and Hanson to have a clean operation. This is an opportunity for the Port to take a quantum leap in the amount of cargo that move across its docks. For the first time in a number of years, San Francisco is geographically positioned to handle the large volume of ocean going cargo.

Commissioner McWilliams asked if British Pacific is leaving and why the lease is being reassigned to Hanson. He was concerned about the impacts of labor agreements and the direction Hanson is going into.

Mr. Bill Butler, Vice President & General Manager for Hanson Aggregates, Mid-Pacific Region, clarified that Hanson is a global corporation with the largest construction materials company in the world. They have been in business in the Bay area for over 75 years as Kaiser Sand & Gravel and Kaiser Cement. He reiterated that aggregate reserves historic location is in the East Bay and have finite reserves. Historically, they have been mined, processed and construction materials trucked into the Bay Area. For several years, Hanson recognized the finite amount of those reserves and recognized that one of the solutions to those problems is multi-modal types of

transportation i.e. rail or water. Hanson is a growing company and look forward for more opportunities to continue doing business in the Bay Area. British Pacific Aggregates operation in British Columbia as a viable source of construction materials could be transported and serve the Bay Area market. With regards to the labor issue, British Pacific Aggregates had discussions with Metropolitan Stevedore Company and Hanson anticipates continuing those discussions. Hanson anticipates using Metropolitan or another PMA member company for their aggregate off-loading from the ships.

Commissioner McWilliams asked if British Pacific will remain an entity under Hanson.

Mr. Mike Hyer, Legal Counsel, replied that Hanson is buying certain assets from British Pacific. British Pacific as a legal entity will remain. British Pacific offered a package of a very high quality aggregate reserve in British Columbia along with the ability to bring the aggregate to the Bay Area. The lease is ancillary to that item. Their major focus is the acquisition of the aggregate reserves in British Columbia.

Commissioner McWilliams asked why Hanson is making that kind of investment and seeking assignment of the lease when the lease has just been signed less than six weeks ago. Mr. Hyer indicated that they have been working on developing the plan for some time and their discussions with them coincided at this time. If Hanson did not purchase the assets from British Pacific, British Pacific's intention would be to bring the aggregate into San Francisco and use the lease. Hanson is prepared to buy that operation from British Pacific.

Commissioner McWilliams indicated that he was concerned that there might be a larger corporate plan to get out from the union contracts and use the facilities. More often than not, a company buys the operation and transfers it to non-union facilities under another entity.

Mr. Hyer appreciated Commissioner McWilliams concerns and recognized that situation does happen. The labor negotiation and the labor aspect is not part of their deal. The party to this lease, Hanson & British Pacific, is party to a number of labor agreements.

Mr. Dailey added that the Port has made real progress in increasing its cargo business in the last few years. This is another opportunity for the Port. Hanson made commitments to Port staff that this will be handled the right way, just like British Pacific did when they requested Commission's approval in August.

Commissioner Brandon emphasized that a manufacturing facility will not be built without seeking Commission's approval first. Mr. Dailey replied that the lease contains a very strict use clause and building a manufacturing facility will not happen.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-77 was adopted.

9. REAL ESTATE

A. Approval of one-year lease with Economic Opportunity Council of San Francisco at Pier 27. (Resolution No. 00-76)

Ms. Theresa Picon, Director of Real Estate, presented the item and requested Commission's approval.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. Resolution No. 00-76 was adopted

10. FACILITIES & OPERATIONS

A. Informational item on the emergency declaration for work on Wharf J-10 at Fisherman's Wharf.

Mr. Ed Byrne, Civil Engineer, showed a slide presentation to the Commission regarding the present condition of the Wharf J-10 facility, enumerated the reasons for closing Wharf J-10 and reviewed the Port's emergency actions in progress. It was concluded by all personnel attending the August 14, 2000 site visit (Port Engineering, Maintenance and Structus) that the entire Wharf J-10 was unsafe. They recommended closing the facility due to unsafe structural conditions and life safety concerns. The Port gave the tenants notice on August 24, 2000.

Port's Emergency Actions currently in progress:

- Phase I: Emergency Stabilization.
- Proceeding with a historical review of facility.
- Environmental sampling for hazardous materials.
- Phase II: Evaluation of the alternatives for the Wharf J-10 fish processing facility.

Phase II: Evaluation of Alternatives

- Repair of the existing facility with superstructure in place.
- New facility, re-using historic character defining elements from the existing facility.
- New facility adhering to design guidelines.

Ms. Terry Picon, Director of Real Estate, addressed the health and safety issues. The Port recognized that tenants needed to vacate premises due to safety concerns resulting from the unsafe condition and took the following measures to accommodate the tenants in the interim:

- Assisted tenants in moving their gear and equipment out of the affected areas.
- In process of designing, modifying, and relocating the hoist from Wharf J-10 to the foot of Leavenworth Street.
- Provided the tenants with a month-to-month license for their fish receiving facility at foot of Leavenworth.
- Provided the tenants with temporary storage located at Pier 26.

- Tenants have been able to continue operations on an interim basis in their Jefferson Street facility.
- Port will continue to work with the tenants toward permanent resolution of this matter.

Commissioner McCarthy thanked staff for the excellent and thorough presentation regarding the Wharf J-10 situation. She suggested that Port staff move as quickly as possible in its planning process to determine the future of Fish Alley. She asked that everyone involved in that area be a part of that process through the Pier 45 committee.

B. Informational item regarding Pier 45 Fish Processing Issues.

Commissioner McWilliams indicated that he was personally offended by Mr. Strazzullo's earlier comments. Port staff works very hard in addressing the problems and are not entitled to that kind of abuse. Mr. Strazzullo's comment was abusive and uncalled for. He hoped that kind of comment would not occur in the future.

Mr. Alex Lee, Director of Facilities & Operations, briefed the Commission regarding the Pier 45 fish processing issues. Mr. Lee indicated that when this issue was brought to his attention, he concentrated his efforts in finding out if the situation at Pier 45 is unsafe or if the fish processing was not up to code. A majority of the fish processing company at Pier 45, Sheds B and D, operated very well and up to code. He asked the Health Department and Code Enforcement Agency if there were any pressing problems that would warrant closing down the businesses and was assured there was none. He then concentrated his efforts on the allegations made by Ms. Akwa and Mr. Strazzullo. Staff found that plans are missing from two tenants and has since asked the tenants to submit the building construction plans to the Port. With regard to yesterday's Health Department inspection, Mr. Lee indicated that he called Mike Hernandez at the State Health Department for a status report. Mr. Hernandez scheduled the inspection and provided Mr. Lee with the status report. He also scheduled inspections with the County Health Department who found that there are four businesses at Pier 45 without proper health permit. Mr. Lee asked the Real Estate Division to follow up on this matter.

With regard to the water quality issues, staff is working with the Regional Water Quality Control Board to ensure that the tenants run an operation according to the proper code enforcement. Port staff requires every Pier 45 tenant to obtain a storm water discharge permit. Staff has already sent letters to all the tenants about this matter.

Mr. Lee indicated that he is working with the Port's ADA Coordinator to ensure that the premises are up to standard. Staff is currently in the process of designing an ADA compliance plan and anticipates completion by spring 2001. Staff is also currently working with Supervisor Ammiano's office.

Commissioner McCarthy thanked Mr. Lee for the excellent report and commended staff for the progress made thus far. She commented that the matrix that was provided to the Commissioners was thorough and informative. Five tenants have not applied

for building permits; she asked if they were given deadlines to submit their application. Mr. Lee replied that Port staff urged the tenants to apply for a permit in order to keep track of this process. However, some tenants disagree. Staff will be following up on each of the tenant requesting them to comply. No deadlines have been established. If a tenant has a proper permit, and staff has inspected their site, they don't need to apply for another permit.

Commissioner McCarthy inquired if a priority list and a checklist have been established to ensure what needs to be done. Mr. Lee indicated that staff is working closely with the County and State Dept. of Public Health. There is a disagreement between the two agencies on what is required but will keep the Commission abreast of their findings.

Charlie Akwa, owner of North Atlantic S.F., indicated that it is extremely disheartening that once again she has to speak to the Commission regarding the lack of concern and the very serious problem that exists at Pier 45 and the lack of concrete action taken by staff to correct these problems. What started out as mere allegations and supposition by Mr. Strazzullo and she have now been substantiated by several outside agencies as well as Port staff. What is even more upsetting is that the facts continue to mount and the Commission still continue to rely on the advice of Port staff instead of beginning to question their ethics and their motives. She felt that since she has spent more time at Pier 45 than most of the Commission and more knowledgeable of the real situation that exists, she gave the Commission a status report.

Regarding code compliance, the spreadsheet that Mr. Lee referred to is once again a rehash of the Port's feeble attempt at building inspection which took place on May 18. She informed the Commission that the violations noted on the spreadsheet are minor compared to the questions that have been raised. Supervisor Ammiano raised the same questions that they have asked before. It seems that the Port is only doing something about the situation now that Supervisor Ammiano is involved. In his report, Mr. Lee mentioned that the Port notified the tenants who do not have approved plans in its files and did not meet City Health requirements. Ms. Akwa wondered who they were and how much time they have been given to comply. She also noted that during the inspection of the all the firms at Pier 45 yesterday, the City Health Department discussed the plan check requirements with many of the offending firms and they conveyed to them that this was the first time they had ever heard of the City Health Plan requirements. In Mr. Lee's report, he stated that previously applications for electrical work or plumbing work weren't referred to the City Health Department because they claimed ignorance of the law. Ms. Akwa asked if the people who are charged with reviewing the permit supposed to be knowledgeable of the codes and requirements which are applicable to the types of work they are reviewing.

Furthermore, Mr. Lee stated that effective immediately all work will be forwarded to the City Health Dept. first. As of today, the 8 permit applications that Mr. Lee referred to have not been referred to City Health. Ms. Akwa asked when will the new policy take place. City Health has not received any permit applications as of this date.

Regarding the new construction management team which has been assembled to review the permit applications, she made the Commission aware that the only licensed architect on Port staff is no longer included in the plan check process. She asked who is going to address the architectural concerns and who are the members of the plan check team and what are their qualifications.

Regarding the ADA issues, Pier 45 Sheds B and D are not in compliance with federal ADA provisions and accessibility. These buildings were required to comply with all aspects of the ADA code upon completion of the retrofit in 1995. Once the building is compliant, it must remain that way. She does not understand that how once the change of use for a facility was approved it did not address the ADA issue at that time as required by law.

Furthermore, she brought to the Commission's attention they have just been spinning their wheels and Port staff has clearly proven that they have no regard for the Commission's wishes. It was the Commission that directed staff to keep them informed of the progress regarding these issues. Mr. Strazzullo or she was not informed of this meeting today nor the fact that an item was placed on the agenda to discuss these problems nor was provided with a copy of the staff report. Fortunately, other agencies have begun to take a look at these problems and decided to act on their own to correct the very serious situation. Just yesterday, the City & State Health Department conducted an inspection at Pier 45 without informing Port staff and came away with a much clearer picture of the problems which needed to be addressed. They are committed to making sure that all firms are in immediate compliance with applicable codes. She's sure that with the oversight of Supervisor Ammiano's office, this will occur.

Commissioner McCarthy left the meeting at 6:00 p.m.

C. Approval to Advertise for Competitive Bids for the Piers 48 and 50 Fire Protection Project, Contract No. 2648. (Resolution No. 00-73)

Mr. Alex Lee, Director of Facilities & Operations, presented the item and requested Commission's approval.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. Resolution No. 00-73 was adopted

D. Authorization to execute Contract Modification No. 1 for Construction Contract No. 2658, "Piers 1-1/2 to Marginal Wharf Repair, Phase I", with Power Engineering Contractors. (Resolution No. 00-74)

Mr. Alex Lee, Director of Facilities & Operations, presented the item and requested Commission's approval.

Commissioner Brandon asked about the scope of work for the change order. Mr. Lee replied that the pier currently has access although it's not in good condition. Pier 1-½

is scheduled to be red tagged by January 1, 2001. In order for the Port to continue to use Pier 3 as a parking structure, all of the columns and some of the pilings underneath the driveway need to be fixed. Pier 3 will be used for Port employee parking.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-74 was adopted

11. PLANNING & DEVELOPMENT

A. Authorization to enter into a contract with the consultant team led by Keyser Marston Associates Inc. to evaluate proposals received in response to the Piers 1½, 3, 5 Mixed Use Preservation Project Request for Proposals and to assist with negotiating the development agreement and lease for the Piers 1½, 3, 5 project. (Resolution No. 00-75)

Mr. Kirk Bennett, Waterfront Development Project Manager, presented the item and requested Commission's approval.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. Resolution No. 00-75 was adopted

12. FINANCE & ADMINISTRATION

13. NEW BUSINESS

Commissioner Pius Lee requested that an item be placed at the next Commission meeting regarding Port's policy in handling tenant complaints. Commissioner Brandon indicated that an informational presentation regarding Port's policy on building code violations and enforcement would be held at the next meeting.

Raymond Aker, Maritime Museum Relocation Committee Chair, indicated the Committee's desire to seek a new location for the San Francisco Maritime Museum, preferably at Pier 30/32.

Commissioner McWilliams indicated that the Board of Supervisors passed a resolution urging the Port Commission to put a monument honoring the Bay Area Veterans of the Abraham Lincoln Brigade in Harry Bridges Plaza. Since he will miss the first meeting in October, he requested that item be heard on the second Commission meeting in October.

EXECUTIVE SESSION

ACTION: Commissioner Lee moved approval to reconvene in executive session to continue discussions of executive session items; Commissioner Hardeman seconded the motion.

At 6:35 p.m., the Commission reconvened in executive session.

At 8:40 p.m., Commissioners Brandon, McWilliams, Hardeman and Lee returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval to not disclose any information discussed in executive session except for the settlement agreement for Superior Court Case No. 306-391; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

Commissioner McWilliams reported that the Commission authorized staff to settle Superior Court Case No. 306-391. The settlement agreement is available for public review.

The meeting was adjourned at 8:45 p.m.

SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, OCTOBER 10, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - September 19, 2000 Special Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

   - Pier 98 Award
   - South America Marketing Trip
   - Bay Area Transit Authority Funding

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4. **CONSENT CALENDAR**

5. **MARITIME**

   A. Approval of resolution to support maintaining freight rail access to Pier 80 marine terminal. (Resolution No. 00-80) (Staff report provided to the Commission.)

6. **REAL ESTATE**

   A. Informational presentation regarding Building Code Violation and Lease Enforcement. (Staff report provided to the Commission).

   B. Adoption of Findings Pursuant to Negative Declaration and Consent to Use subject to conditions, pursuant to Lease No. L-12515, between the Port and China Basin Ballpark Company for property located at Seawall Lot 337, between Third Street, Terry Francois Boulevard, and Mission Rock Street, to allow commuter parking and special events on a year-round basis, and consenting to continued presence of existing billboard. (Resolution 00-79) (Staff report provided to the Commission.)

7. **FACILITIES & MAINTENANCE**

8. PLANNING & DEVELOPMENT

A. Amendment of Waterfront Land Use Plan to Allow General Office Use as part of a Mixed Use and Cruise Terminal Project at Pier 30-32 in the South Beach Waterfront. (Resolution No. 00-78) (Staff report provided to the Commission.)

NOTE: The environmental impacts of the proposed Waterfront Land Use Plan amendments were addressed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 9, 1997 pursuant to the California Environmental Quality Act (CEQA).

B. Informational presentation on the proposals submitted in response to the Request for Proposals to lease and develop the Piers 1-½, 3, 5 Preservation Project. (Staff report provided to the Commission.)

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

11. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS:

a. Discuss existing litigation matters pursuant to subdivision (a) & (d) of California Government Code Section 54956.9:

- CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-action, San Francisco Superior Court Case No. 989618 (Action Item)

Approval of partial settlement of litigation relating to construction defects and delays on Port contract 2616 (Pier 35 Passenger Terminal Escalator/Elevator) upon terms which include the Port's release of contract retention funds of $332,649.79 plus a payment of $34,470.21 to plaintiff's surety, in exchange for (1) a mutual release of claims by

settling parties, subject to certain exceptions, and (2) defendant contractor's agreement to perform remedial work.

Under the proposed settlement, the City's claims for fraud and misrepresentation against defendants Andrea "Ray" Minutoli ("R. Minutoli"), and Alicia A. Minutoli ("A. Minutoli") shall remain outstanding. In addition, the City retains its right to pursue remedies for contracting debarment against R. Minutoli, A. Minutoli, Katsuko Minutoli, Commercial and Interiors Construction, Inc., American Contract Builders, and Meridian Construction & Engineering.

- Commercial And Interiors Construction, Inc., and CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-complaint, Santa Clara Superior Court Case No. 782855 (Action Item)

  Approval of partial settlement of litigation relating to construction defects and delays on Port contract 2594 (Ferry Building Seismic Repair Stage II) upon terms which include the Port's release of contract retention funds of $310,880 to plaintiff's surety, and a mutual release of claims by settling parties.

  Under the proposed settlement, the City's claims for fraud and misrepresentation against defendants Andrea "Ray" Minutoli ("R. Minutoli"), and Alicia A. Minutoli ("A. Minutoli") shall remain outstanding. In addition, the City retains its right to pursue remedies for contracting debarment against R. Minutoli, A. Minutoli, Katsuko Minutoli, Commercial and Interiors Construction, Inc., American Contract Builders, and Meridian Construction & Engineering.

- In Re: CICO-R&W, a Joint Venture, and related adversary proceedings, United States Bankruptcy Court, Northern District of California, Case No. 98-13790-AJ-7. (Informational Item)

- Arthur Corona v. City and County of San Francisco, San Francisco Superior Court Case No. 303734 (Action Item)

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Municipal Railway: David Esparaza

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

b. Property: Ferry Building
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

c. Property: Lapis Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Lapis Restaurant: Daniel Mash

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Lapis Restaurant.

d. Property: Embarcadero
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Pedicabs: Jeff Sears

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property along Embarcadero.

e. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development
*Malrite Group: Dennis Barrie

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Pier 45, Shed A.

f. Property: Pier 70
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss the price and terms to be included in the request for proposals regarding Pier 70.

12. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

13. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

OCTOBER/NOVEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
October 10	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
October 24	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 14	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Liz Fitzgerald	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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MEMORANDUM

October 4, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Policy of Notifying Tenants when Violations are discovered

DIRECTOR'S RECOMMENDATION: FOR THE COMMISSION TO REVIEW AND MAKE RECOMMENDATIONS TO STAFF FOR COMMISSION ADOPTION AT A SUBSEQUENT MEETING

Background
At the September 19, 2000 Commission meeting, the Commission directed staff to provide an informational item on the Port policy of how staff notifies tenants when violations are discovered. The following are the procedures that Port staff currently follows. This is presented as an informational item at this meeting to provide for Commission comments. The item will be brought back to the Commission for adoptions at a subsequent meeting.

A. Procedures For Notification of General Code Violations Concerning Leased Property – General Code Issues

1. Receipt of Initial Report or Complaint: As a general matter, any initial report or complaint concerning a code violation within Port jurisdiction will be directed to the Port's Real Estate Division and/or Maritime Division for purposes of further investigation and notification.

2. Notification to the Primary Division: After identifying the property and tenant in question, the Real Estate and/or Maritime Division will notify the appropriate regulatory staff to initiate an investigation as to the nature and extent of the reported violation.

3. Investigation by the Primary Division: The appropriate regulatory staff will determine if other local, state, or federal agencies should be notified, and, shall provide such notice and/or request agency cooperation, if appropriate at this stage. The regulatory staff will also conduct an investigation, as promptly as possible, to ascertain the nature and extent of any code and/or lease violations, and report written findings to the Real Estate and/or Maritime Division. This report will contain the division's recommendation as to whether the tenant should be issued a notice of violation

This Print Covers Calendar Item No. 6A

of any applicable code or regulations. When appropriate, the regulatory staff shall issue a notice of violation directly to the tenant and/or violator, and inform the Real Estate and/or Maritime Division of its determination.

4. Notification of Lease Violations: The Real Estate Division and/or Maritime Division shall determine, based upon the investigative findings, the extent of any violations under the tenant's lease and/or maritime agreement with the Port. In addition, the appropriate time period for the tenant to cure any violations will be made in consultation with the City Attorney's Office. If the tenant is found to have violated either its lease and/or maritime agreement or any applicable codes, the Real Estate and/or Maritime Division, shall give written notice to tenant, specifying the nature and extent of the code violations and/or violations under the lease or maritime agreement.

B. Procedures For Notification of General Code Violations Concerning Leased Property – Life Safety Issues

1. Life Safety Issues Shall be Handled on an Expedited Basis Depending Upon the Severity of the Condition: Generally, the same procedures outlined above will apply to reported violations, which implicate life safety issues. However, upon receipt of any initial report or complaint of a code violation which appears to present an immediate risk to life or safety, the responsible regulatory staff, with assistance from other Port staff, shall conduct an immediate investigation to ascertain the existence of any immediate danger to public safety. When appropriate, the regulatory staff shall issue a notice of violation directly to the tenant and/or violator, and inform the Real Estate and/or Maritime Division of its determination. In addition, the Port Commission President and the Executive Director will also be notified. The regulatory staff shall provide a written report, with recommendations for further action, to the Real Estate Division and/or the Maritime Division. With regard to structural hazards, the Port Engineering Section shall, to the extent applicable, evaluate the building/s or structures in according to the City's Post-Earthquake Safety Evaluation of Buildings (ATC-20-2) contained in the Port's Emergency Operations Plan. In accordance with the Plan, the Port Engineering Section, shall post the building with a color-coded placard indicating whether access to the building will be permitted, depending upon the severity of damage to the structure, and provide advance notice to the tenants of any order to vacate the building for life safety reasons. The Engineering Section will coordinate such action with the Real Estate and/or Maritime Division.

If the Port's investigation determines that the tenant has violated either its lease and/or maritime agreement or any applicable codes, the Real Estate Division and/or Maritime Division, shall give written notice to tenant, specifying the nature and extent of the code violations and/or violations under the lease or maritime agreement.

Karen V. Clopton, the Port's Chief of Operations, is spearheading the drafting of an Evictions Protocol that will incorporate a team to more effectively respond to these issues. The team will include members of Maritime, Real Estate, Public Relations, Engineering and Maintenance. We will also review the Work Order Protocol in order to improve the reporting of violations and health and safety issues. The proposed Protocol will be presented at the Commission's November meeting.

Prepared by: Cliff Jarrard, Chief Harbor Engineer
Mark Lozovoy, Principal Real Estate Manager

PORT OF SAN FRANCISCO

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MEMORANDUM

October 5, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Denise McCarthy
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Adoption of Findings Pursuant to Negative Declaration and Consent to Use subject to conditions, pursuant to Lease No. L-12515, between the Port and China Basin Ballpark Company for property located at Seawall Lot 337, between Third Street, Terry Francois Boulevard, and Mission Rock Street, to allow commuter parking and special events on a year-round basis, and consenting to continued presence of existing billboard. (Resolution 00-79)

DIRECTOR'S RECOMMENDATION: ADOPT FINDINGS AND CONSENT TO USES SUBJECT TO CONDITIONS

A. BALLPARK PARKING LEASE AND SUBLEASE.

The China Basin Ballpark Company, LLC (herein "CBBC") entered into a Lease for 619,317 square feet (14.2 acres) of paved and unpaved land at Seawall Lot 337 on November 26, 1997, to be used for parking for the new Pacific Bell Park. This Lease was approved by the Port Commission on September 9, 1997 (Resolution 97-78). The Lease anticipated that CBBC might engage a parking operator to develop and manage the parking lot. CBBC chose Imperial Parking, Inc. (herein "Imperial") to fulfill that role as sublessee. This sublease was approved by the Port Commission on July 28, 1998 (Resolution 98-71).

Under Sections 1.6 and 8.1 of the Lease, CBBC may use the Premises for surface parking lot for bicycles and motor vehicles for baseball games and special events at, and any other permitted use of, the Ballpark and/or the operation, maintenance, repair or improvement of the Ballpark, and for no other use without the prior written consent of the Port, not to be unreasonably withheld, conditioned or delayed.

B. CONSENT TO NEW USES.

CBBC has requested Port Commission approval of the use of the Premises for commuter parking and certain special events on a year-round basis.

Port staff has determined that in order to limit and address potential impacts on Port operations and tenants arising from the expanded uses of commuter parking and special events, and to maintain reasonable control over activities on Port property, the requested changes in use should be subject to certain reasonable conditions. Such conditions are set forth in Attachment A attached to the subject Resolution. The conditions include the following:

1. All revenues derived from all parking uses occurring on the Premises shall be included within total revenues generated from the Premises for the purposes of calculating "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease.

2. Tenant shall cause parking on the Premises to be operated in such a manner as to maximize parking revenue from the Premises, and in furtherance thereof, Tenant shall not restrict or prohibit parking on the Premises in order to direct vehicles onto other parking lots controlled by Tenant or its subtenants.

3. Tenant shall operate the Premises in accordance with the Public Parking Operations Plan, , governing, among other things, hours of operation, rates, cleaning and security services, landscaping, restroom facilities, and revenue collection. Any material changes to the Public Parking Operations Plan requires the prior written consent of the Port's Executive Director, not to be unreasonably withheld.

4. With regard to Special Events, Tenant may operate the following Special Events on the Premises without further Port consent:

    a. The Special Event has a duration (not including set-up time) of no more than five (5) days;
    b. The Special Event will be attended by no more than 5000 persons per Special Event day;
    c. The Special Event does not require the issuance of an amplified sound permit under the City's Police Code; and
    d. The Special Event does not involve the sale or distribution of alcohol.

5. Any other Special Event not described above will require the prior consent of the Port's Executive Director, not to be unreasonably withheld or conditioned.

6. The following Special Events are prohibited:

    a. Special Events not otherwise permitted by applicable laws, including, without limitation, the Waterfront Land Use Plan and San Francisco Planning Code Section 985; and
    b. Special Events exceeding a cumulative period of 90 days including set-up time, or flea markets, unless consented to by the Port Commission by resolution.

7. Tenant shall comply with the certain notice and operating requirements described in Attachment A, giving Port and the affected community adequate notice of Special Events, requiring payment by Tenant of required City services for certain Special Events, and providing "good neighbor" practices in the operation of the Special Events.
8. Tenant must obtain any required City approvals for the new uses.

C. FINANCIAL BENEFIT TO PORT

Under Section 5.3(a) of the Lease, in addition to Base Rent of approximately $1.2 Million per year, the Port receives 50% of all Net Operating Revenue derived from the Premises each year during the Term. Section 5.3(a) also states that if the Port approves any use of the Premises other than the parking of bicycles and motor vehicles, the Port may impose the right to receive a greater proportion than 50% of Net Operating Revenue derived from such approved uses if it determines that such greater proportion is justified given the facts and circumstances. Port staff believes that given the unanticipated significant costs in construction of the parking lots due to environmental concerns, the payment to the City of parking taxes, and CBBC's need to generate significant revenue from the Premises to allow it to amortize its construction costs, the Port's 50% share of Net Operating Revenues from the new uses is commercially reasonable. In granting authorization to CBBC for the use of the Premises for commuter parking and special events, all revenue received from the approved uses will be included in the calculation of Net Operating Revenue under the Lease, which will ultimately, increase total rental revenue to the Port from this Lease. **The Port's Finance Department estimates that allowing commuter parking and special events will result in an additional $3.4 Million of percentage rent to the Port over the term of the Lease, and an additional $2.1 Million in parking taxes to the City.**

D. EXISTING BILLBOARD.

At the time the Port delivered the Premises to CBBC, the Premises was subject to a billboard located on the Premises pursuant to a pre-existing license agreement dated November 14, 1978, between the Port and Eller Outdoor Advertising. CBBC had not consented to the presence of the billboard, and although the Port has continued to receive revenue from the billboard, CBBC has the right to request the Port to terminate the billboard license and remove the billboard at any time. The Port anticipates in the future that a portion of the Premises in which the billboard is located will eventually be removed from the Premises in accordance with the terms of the Lease to allow for the Third Street light rail project. At that time, the billboard would no longer be within the Premises and CBBC would have no further rights thereto.

CBBC has agreed with Port staff to allow the billboard to remain so long as CBBC is entitled to receive all net revenue from the billboard attributable to the period of time during the Term of the Lease in which the billboard encroached on the Premises. However, if and when the area on which the billboard pole is removed from the Premises for the third street light rail, CBBC will have no further rights to income from the billboard.

E. CEQA REVIEW.

Pursuant to the California Environmental Quality Act (CEQA), the City's Office of Environmental Review has prepared a Negative Declaration dated June 27, 2000, for the proposed project. A copy of the Negative Declaration is attached to this Memorandum and is on file with the Secretary of the Port Commission. The Negative Declaration finds that the proposed project could not have a significant effect on the environment.

Prepared by: Phil Williamson, Senior Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-79

WHEREAS, Charter Section B3.581 empowers the Port commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, The Port Commission approved the terms of a lease with the China Basin Ballpark Company, LLC ("CBBC") on September 9, 1997 (Resolution 97-78) for occupancy and use of a portion of Seawall Lot 337 (the "Premises"); and

WHEREAS, The Port Commission approved terms of a sublease of the Premises to Imperial Parking, Inc., a Delaware corporation ("Imperial") on July 28, 1998 (Resolution 98-71); and

WHEREAS, Under Sections 1.6 and 8.1 of the Lease, CBBC may use the Premises for surface parking lot for bicycles and motor vehicles for baseball games and special events at, and any other permitted use of the Ballpark and/or the operation, maintenance, repair or improvement of the Ballpark, and for no other use without the prior written consent of the Port, not to be unreasonably withheld, conditioned or delayed; and

WHEREAS, CBBC has requested Port Commission approval of the use of the Premises for commuter parking and special events on a year-round basis; and

WHEREAS, The Port Commission finds that in order to limit and address potential impacts on Port operations and tenants arising from the requested uses and to maintain reasonable control over activities on Port property and to maximize the rent received from its property, the Port has determined that the requested changes in use should be subject to the reasonable conditions set forth in Attachment A, attached to this Resolution and incorporated herein by this reference; and

WHEREAS, At the time the Port delivered the Premises to CBBC, the Premises was subject to a billboard located on the Premises pursuant to an agreement between the Port and Outdoor Advertising; and

WHEREAS, CBBC has agreed to allow the continued presence of the billboard within the Premises subject to receiving the revenue therefrom for so long as the billboard remains within the Premises, and in consideration thereof, the Port has agreed to consent to the billboard as a permitted use under the Lease for so long as it remains within the Premises; and

WHEREAS, Any planning and feasibility analysis to determine the long-term program for use of the site will include consideration of maritime industry needs, and other uses, including a major new open space as recommended by the Technical Advisory Committee in the Waterfront Design & Access Element; and

WHEREAS, Pursuant to the California Environmental Quality Act (CEQA), the City's Office of Environmental Review has prepared a Negative Declaration dated June 27, 2000, for the proposed project, a copy of which is on file with the Secretary of the Port Commission, and has determined that the proposed project could not have a significant effect on the environment; now therefore, be it

RESOLVED, That the Port Commission hereby authorizes as a permitted use under Section 1.6 of the Lease, the use of the Premises for commuter parking and special events on a year-round basis, subject to satisfaction and compliance with those conditions attached hereto as Attachment A, and be it further

RESOLVED, That the Port Commission hereby approves the use of the Premises for the existing billboard located adjacent to the Third Street line of the Premises only for so long as the existing billboard remains in its present position within the Premises, subject to the revenue allocation provisions set forth in Attachment A, attached hereto and incorporated by reference herein; and be it further

RESOLVED, That the Port Commission hereby authorizes the Executive Director to take all such further action as is required to implement the intent of this Resolution, including executing such further assurances and documents in such form as is approved by the City Attorney to the extent that the potential liability or obligations of the Port are not materially increased.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of October 10, 2000.

_____
Secretary

ATTACHMENT A

Conditions to Port Approval of Use of Seawall Lot 337 for Special Events, Commuter Parking and for Existing Billboard
(Attachment to Port Commission Resolution No. 00-79)

The following are the terms and conditions under which the Port Commission has conditioned its approval of commuter parking, special events and existing billboard uses under Port Lease No. L-12515 ("Lease"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Lease. By signing below, the Tenant has indicated its agreement to abide by all of the conditions set forth herein. All of the following conditions shall be deemed to be part of, and subject to, all of the terms and conditions of the Lease, including, without limitation, Section 8.2 (Prohibited Activities), Section 9 (Compliance with Laws and Regulations), Section 10 (Regulatory Approvals), Section 17 (Insurance), Section 20 (Indemnity), Section 23 (Default by Tenant), and Exhibit C-1 (Mitigation Measures) and C-2 (Improvement Measures).

A. Commuter Parking. Tenant may use the Premises for surface parking for bicycles and motor vehicles on a year-round basis, subject to the following conditions:

1. All revenues derived from all parking uses occurring on the Premises shall be included within total revenues generated from the Premises for the purposes of calculating "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease.

2. Tenant shall cause parking on the Premises to be operated in such a manner as to maximize parking revenue from the Premises, and in furtherance thereof, Tenant shall not restrict or prohibit parking on the Premises in order to direct vehicles onto other parking lots controlled by Tenant or its subtenants.

3. Tenant shall operate the Premises in accordance with the Public Parking Operations Plan, attached hereto as Exhibit A, governing, among other things, hours of operation, rates, trash and security services, revenue collection, and allocation of pre-sold spaces for all baseball seasons during the Lease term. Any material changes to the Public Parking Operations Plan shall require the prior written consent of the Port's Executive Director, not to be unreasonably withheld.

B. Special Events. Tenant may use the Premises for the exhibition or presentation of sporting events, exhibitions and tournaments, concerts and musical performances, theater performances and other forms of live entertainment, public ceremonies, fairs, markets, shows or other public or private exhibitions and activities related thereto (collectively, "Special Events"), subject to the following conditions:

1. Tenant may use the Premises for Special Events without the prior consent of the Port if the Special Event meets all of the following requirements:

   a. The Special Event has a duration (not including set-up time) of no more than five (5) days;
   b. The Special Event will be attended by no more than 5000 persons per Special Event day;
   c. The Special Event does not require the issuance of an amplified sound permit under the City's Police Code; and
   d. The Special Event does not involve the sale or distribution of alcohol.

2. Except for Prohibited Uses described in Section B.3 below, Tenant may use the Premises

for any Special Event not listed above only with the prior consent of the Port's Executive Director, not to be unreasonably withheld or conditioned. Without limiting the foregoing, it shall be reasonable for the Executive Director to withhold or condition consent if it can be reasonably anticipated that the Special Event would violate Section 8.2 of the Lease.

3. The following Special Events shall be considered prohibited uses

    a. Special Events not otherwise permitted by applicable laws, including, without limitation, the Waterfront Land Use Plan and San Francisco Planning Code Section 985; and
    b. Special Events exceeding a cumulative period of 90 days including set-up time and flea markets, except with the consent of the San Francisco Port Commission by Resolution and with consent of the City's Zoning Administrator if required.

4. All revenues derived from all Special Event uses occurring on the Premises shall be included for the calculation of "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease.

5. Tenant shall comply with the following notice and operating requirements with regard to all Special Events:

    a. At least 30 days prior to September 1, December 1, March 1, and June 1 of each year, Tenant shall provide Port with a calendar listing and describing in reasonable detail all upcoming scheduled Special Events for the following quarter, and request the Executive Director's consent for any Special Events described in Paragraph 2 above. Tenant shall provide Port with notice of any subsequently scheduled Special Events not listed in the quarterly calendar at least 10 days in advance thereof for Special Events described in Paragraph 1 above, and at least 30 days in advance thereof for Special Events described in Paragraph 2 above.
    b. Tenant shall provide notice of pending Special Events described in Paragraph 2 above at least one week prior to such Special Event to the Rincon Point-South Beach CAC, property managers in the area and others who have requested notice.
    c. Tenant shall send notice to neighbors or neighborhood organizations requesting notice of any request for a loud speaker permit so that they may raise concerns, if any, at any hearings.
    d. All Special Events involving amplified music or other events where the Special Event may involve similar noise impacts shall conclude by 11:00 p.m.
    e. All Special Events shall be scheduled so that such events do not begin or end at times which will cause overlap with peak hour traffic conditions. For purposes of this requirement, "peak hour traffic conditions" means 4:30PM through 5:30PM on weekdays.
    f. Tenant shall remove from the China Basin Shoreline Park and adjacent Port facilities all debris and refuse resulting from use of the Premises within 12 hours of the conclusion of any Special Events.
    g. In conducting any Special Events, Tenant shall provide at no cost to Port or City, services as are necessary and appropriate to the Special Event uses, including but not limited to, (i) repair and maintenance of the Improvements as more particularly described in Section 11 of the Lease, (ii) utility services, (iii) adequate security, including crowd control and management, parking and traffic control and first aid, during and for a reasonable period before and after Special Events (iv) litter pick-up, and (vi) such other services as may be necessary or appropriate for a professionally-run Special Event.

h. With respect to any Special Event requiring the consent of the Executive Director, the Executive Director and Tenant shall negotiate in good faith with each other and with any affected City departments to determine what, if any, Designated Services would be reasonably required in connection with such Special Event(s), and the incremental costs of providing such Designated Services with respect to such Special Event(s), taking into account all the facts and circumstances, including the security, transportation plan, litter pick-up, parking and traffic control and other such services to be provided by Tenant and/or the sponsor of such Special Event(s). Without limiting the approval rights as to certain Special Events under subsection (a) above, the Executive Director shall not withhold consent under this subsection (b) to any such Special Event as to which Tenant has agreed to pay Port (or City, as applicable) for the actual and reasonable incremental cost of providing Designated Services with respect to such Special Event, in an amount (A) agreed to in advance by Tenant and the Executive Director, or (B) reasonably determined by the Executive Director. The term "Designated Services" shall mean, with respect to any Special Event, such levels of incremental police services, fire marshal services, public transportation, litter pick-up, street and sidewalk cleanup, first aid and paramedic services, and parking and traffic control services, as the Parties agree in advance are reasonably required by, and will be provided by City to the Premises and/or the surrounding area in connection with, such Special Event. Tenant shall not be required to reimburse City or Port for any costs of providing City services to or in connection with any Special Event, except to the extent of the incremental costs of Designated Services as agreed in advance, or as Tenant and the Executive Director otherwise agree in writing. In particular, the Parties intend that such an agreement may, with respect to any particular Special Event, include provisions for the payment by Tenant (or the sponsor of a Special Event), if the actual attendance at such Special Event materially exceeds the estimated attendance, of costs directly resulting from the provision of Designated Services in excess of the levels which were agreed upon based on estimated attendance.

C. Billboard. For so long as the billboard pole remains within the Premises, Tenant shall be entitled to receive the monthly rental revenue received by Port therefrom. Such revenue shall be included as "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease. The Port, at its option, may provide Tenant with a rent credit against Tenant's monthly Base Rent in the amount of the billboard revenue; provided, however, that the amount of such rent credit shall be included within Tenant's reported "Net Operating Revenues." In the event that the portion of the Premises on which the billboard pole is located is removed from the Premises pursuant to Section 3.3 of the Lease or otherwise, Port shall receive all revenue from the billboard thereafter.

D. Approvals Under Planning Code Section 985.

Without limiting the provisions of Lease Section 9 (Compliance with Laws and Regulations), Tenant shall obtain any required authorizations for the commuter parking and Special Events under Planning Code Section 985.

The undersigned agrees to comply or cause its parking operator to comply with all of the terms and conditions of the foregoing Attachment A

CHINA BASIN BALLPARK COMPANY LLC, a Delaware limited liability company

By: JACK F. BAIR
Its: VICE PRESIDENT & GENERAL COUNSEL
Date: OCTOBER 5, 2000

By: JOHN F. YEE
Its: Senior Vice President
Date: October 5, 2000

Suite 300, The Station
601 West Cordova Street
Vancouver, BC V6B 1G1 Canada

Telephone (604) 681 7311
Facsimile (604) 681 4098

Imperial Parking Canada Corporation

Imperial Parking

EXHIBIT A

J. R. Bateman
Vice President Corporate Real Estate
Direct Line: (604) 331-7220
Direct Fax: (604) 331-7284

October 5, 2000

facsimile (415) 274-0494

DOUGLAS F. WONG
Executive Director
Port of San Francisco
3100 Ferry Building
San Francisco, CA 94111

Dear Mr. Wong:

OPERATIONAL PLAN/EXPANDED USE PROVISION RESOLUTION
COMMUTER PARKING SEAWALL LOT 337

Pursuant to Section A.3 of Attachment A to the Port Commission Resolution No. 00-79, the following is an Operational Plan that Imperial Parking has agreed to comply with for the Seawall Lot 337 or Pacific Bell Park Parking Lot A.

1. ***Hours of Operations***
   The facility will serve short-term and monthly parkers from the period of 6:00 am to midnight with parkers who remain after midnight having to pay for the following day. The parking lot is fully lit all evening. While the facility is open 7 days per week, it is used for the most part Mondays to Fridays for commuter use.

2. ***Rates***
   At the present time we have parking at the economical rate of $5.00 per day, $2.00 per hour and $1.00 for every hour thereafter to a maximum of $5.00. Monthly parking is sold at a rate of $99.00 per month and monthly parking is arranged and paid for at our office at 185 Berry Street (China Basin Landing).

3. ***Staffing***
   While we will have two multi-space meters in use for the first period which should cover demand, we will also have regular patrolling staff and a Lot Manager who will be on the lot in the early morning and in the afternoon. If demand increases and the lot occupancy

approaches the 500 – 600 level, it is our intention to have an Attendant on site at the gate and we would then install booths at the entrance for collection.

4. ***Equipment***
We will install the VenTek System 400 Multi-Space Meters on or before October 24, 2000, which serves both short-term parkers and all-day parking customers. This equipment is state of the art and is currently in use on Lot C where it has been well received.

5. ***Revenue Collection***
Monthly parking revenue is collected in advance and at our office or through a billing or pre-authorized payment system. Revenue collected from the Multi-Space Meters is done on a daily basis and the machines provide enforcement reports and clear daily reports of volume which can be used for audit purposes, both for Imperial Parking and the Port.

6. ***Trash Collection and Maintenance***
Trash is collected on a regular basis as needed, but likely on a daily basis as occupancy level dictates a contractor has been employed for this and to supply trash containers. Catch basins are cleaned and maintained regularly and the lots will be swept and washed in accordance with our contract for baseball game maintenance and for the increased use for events and commuter parking.

7. ***Expected Use***
We expect the economical parking rates and the proximity to the City Centre to bring approximately 400 cars per day, both short-term, monthly and daily. If dictated by demand and feasibility, we would consider operating a shuttle service to both the downtown and other districts. This will be researched immediately. We would like to work with the City and Mayor's office to make the lot an active intercept lot to help alleviate downtown automobile congestion and parking shortage. This lot is an ideal alternative and a better option than 3ComPark.

8. ***Pre-sold Baseball Parking***
Since the Port Lot 337 or Lot A is the preferred parking facility for Season Ticket Holders of Pacific Bell Park, we shall use reasonable efforts to pre-sell this lot each baseball season during the lease term, as we did for 2000 season. For the year 2000 season we were successful in pre-selling the entire lot. We have also considered an upward rate adjustment, given the demand for this facility.

This lot is also in strong demand for event use and it is a preference for event-users given its proximity to the Embarcadero, the Muni Station and certainly Pacific Bell Park. The lot was the site for the year 2000 exhibition of Cirque du Soleil. It has been constructed so that some light standards are removable to give more contiguous open space. Cirque du Soleil will be returning every other year over the term of the lease. Since it has access from three streets, it is a most attractive site for other uses.

9. ***Restrooms and Security***
Portable restrooms are located on the northwest and northeast corners and are maintained on a regular basis and particularly in the evening for clients returning to their car from areas nearby.. The lot is patrolled on a regular basis. The lot is well lit, landscaped and well maintained.

10. ***Compliance/MCHA/SFT Agreement***
Without limiting any of the foregoing, we shall comply fully with all of the terms set forth in our June 19, 2000 letter to Mission Creek Harbor Association and San Francisco Tomorrow, a copy of which is attached hereto as Exhibit 1.

Yours truly
IMPERIAL PARKING CANADA CORPORATION

J. R. Bateman
Vice President Corporate Real Estate

JRB/mbg

COPY: Jack Bair
Alfred Stevens
Bryan Wallner

Suite 300, The Station
601 West Cordova Street
Vancouver, BC V6B 1G1 Canada

Telephone (604) 681 7211
Facsimile (604) 681 4093

Imperial Parking

Imperial Parking Canada Corporation

June 19, 2000

EXHIBIT 1

Mission Creek Harbor Association Inc.
300 Channel Street
San Francisco, CA 94107

Attention: Corrine Woods

San Francisco Tomorrow
900 Battery Street
San Francisco, CA 94111

Attention: Jennifer Clary

Corrine/Jennifer:

SEAWALL LOT 337

It was a pleasure meeting you last week and discussing your issues with regard to our commuter parking initiative for the Port Seawall lot 337. We were particularly pleased to show you our parking equipment and discuss how we can make this facility work for everybody concerned.

We are prepared to commit the necessary resources and efforts to meet all your concerns and they are outlined below in order of their appearance on your May 23rd & May 19th writings to Doug Wong of the Port and Hilary Gitelman of the Department of City Planning.

1. *Conflict in use*
   The eight weekday day games during the season represent only 3% of the available parking days for commuters and if you consider that the overlap between ballgame and commuter parking is for a half-day, this figure would really be only 1.5%. Regardless, we address your concern by ensuring that all commuters know that these eight days are committed for baseball fans starting at 11:30 a.m. on the day of game. The automated parking machine allows us to display messages to this effect in advance of such a weekday game. They would be given the opportunity to pay at the game-day rate which in today's rates are $15, or remove the car by one hour in advance of game time. Given the excess capacity that we have on the lots it may be possible that we would accommodate commuters on the condition that they locate their cars in other areas on the site. It's been our experience in operating sports facilities parking in other cities that commuters generally recognize confusion on game days and find alternative sources of transportation or other parking locations during these times. We must keep in mind that the baseball fans have priority on these particular days but at the same time it is not our intention to disaffect commuters.

2. *Additional pollutants due to intensifying the use on the lot.*
The drainage is designed to more than adequately deal with intensified use of this site. Certainly, catch basins which have oil/water, separators and a sump with a water outlet oil trap, as well as a fossil filter, should adequately deal with petroleum waste through storm water runoff. Pursuant to the Storm Water Management Plan approved by the City, it is our intention to clean the traps on a regular basis and change the filters as required to ensure that this system is working in accordance with the design. The Plan requires catch basin and CDS unit cleaning every six months or more often if the sump is >40% full and/or sorbent or fossil rock is >50% coated with contaminants or clogged, to be determined during the quarterly inspections. We will be testing the system as part of the installation contract to ensure that there is no excess pollutant runoff due to the intensified use. We commit to regular cleaning of the catch basins and CDS units and to carefully monitor the entire system to ensure that pollutants are retained and removed. I have attached portions of the plan that relate to the catch basins and CDS units for the storm water drainage system for your review, along with the BMP Implementation Schedule from the Storm Water Management Plan. We believe that we have a system that is more than sufficient to deal with daily parking use and I will provide you with further detail if you require.

3. *Automated Parking Machines*
As you saw in the demonstration of our System 400 VanTek machine, we would actually encourage short-term use of the parking facility, both through pricing and location of short-term stalls in proximity to the north exits. When the lot is not in use for baseball parking we are committed to making up to 40% of the stalls short-term only and at areas closest to the north entrances where we believe the frequent short-term users will attend. Our pricing structure will also encourage short-term use and will be based on market rates for short and long term parking demand. We believe that businesses in the area will create a good level of demand for short-term use and it is our intention to promote this type of use in the area. As you can appreciate, the higher the turnover in short-term facilities, the better the income. So we are encouraged to promote short-term parking utilization.

4. *Attendants*
We are committed to having attendants on this site for the purposes of courtesy, helping people use the parking machines, and to patrol the area for users of the site who may have not paid or need assistance. Our office is located in China Basin Landing and we have a full time manager who is regularly on the site with his staff when required. Given the complexity of the parking equipment it will be necessary to help educate the users of the parking facility, particularly in the early stages. It will be necessary as indicated above to patrol the site regularly to ensure proper use of the equipment.

5. *Additional landscaping*

We are committed to providing a number of trees on the north side of the lot to shield the view from the new park to be constructed at the channel waterside along Terry Francois Boulevard. We have obtained pricing for 18-20 trees and the expansion of the irrigation system from the company that planted trees on the north side of the Catellus property and it would be our intention to have these located within the parking lot boundaries. The addition of the trees along with the vines which cover the fence should be sufficient to screen the view of the parking facility from park users. We will coordinate with the Port for selection and approval of the tree species appropriate for the site.

6. *Restroom*

We will provide an additional portable restroom facility on the northeast corner of the Port lot for use by individuals using the China Basin Shoreline park as well as baseball fans during the baseball season. This will be in addition to the facilities on the northwest side that have been specifically provided for baseball fans. It will be managed similarly to our other portable washroom facilities being locked in the evening to avoid abuse by vagrants. It will be cleaned regularly and will become an integral part of the operation of both the park and the parking facility. This facility will be a larger accessible unit and placed on a base.

7. *Cleaning*

We currently have under contract a sweeper and cleaning operator who would also be engaged to provide standing oil extraction for cleaning for additional spills that may result as use of the lot increases with commuter and short-term parking. This involves a pressure washer unit being dispatched as needed to clean up spills and staining. The sweeper will also be on the site weekly to clean up other refuse as a result of the intensified use and will monitor for oil spills and staining. Any observed requirements will be immediately attended to.

We would be pleased to meet with you and to formalize our commitment in writing to meet your requirements with regard to our initiative for the use of this site as a commuter and short-term parking facility.

Yours truly,
IMPERIAL PARKING CANADA CORPORATION

R. Bateman

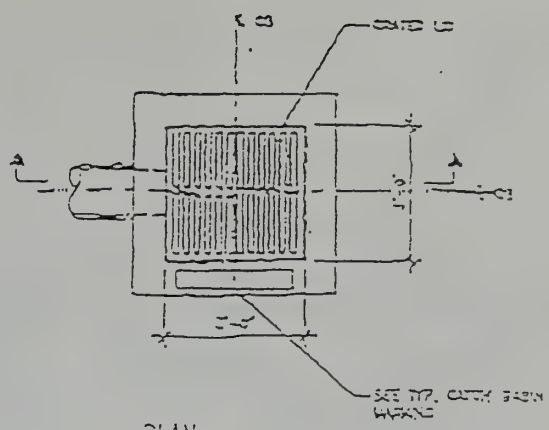
cc: Doug Wong, S.F. Port
Dept of City Planning, Attn: Hilary Gitelman
Jack Bair, San Francisco Giants

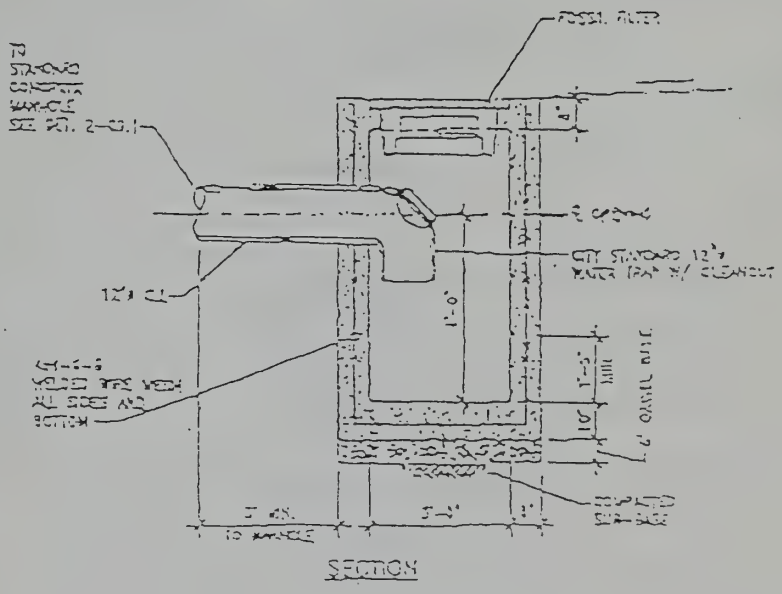
DRAINAGE GRATE SCHEDULE

CATCH BASIN NO.	DIMENSION "A" (INCHES)	GRATE TYPE
BC1	21X21	1
BC2	36C3	3
BC3		3
BC4		3
BC5		3
BC6	21X21	1
BC7	36C3	3
BC8		3
BC9		3
BC10		3
BC11		3
BC12	21X21	1
BC13	36C3	3
BC14		3
BC15		3
BC16		3
A1	21X21	1
A2		1
A3		1
A4		1
D1	21X21	1
D2		1
D3		1
D4		1
E1	36C3	2
E2		2
E3		2
E4		2
E5		2
E6	36C3	4
E7		4
E8		4
E9		4
E10		4

TYPE 1 – MEDIUM BAR GRATE
TYPE 2 – MEDIUM 3-HOLE
TYPE 3 – MEDIUM 3-BEND
TYPE 4 – MEDIUM 3-BAR
} OR APPROVED EQUAL

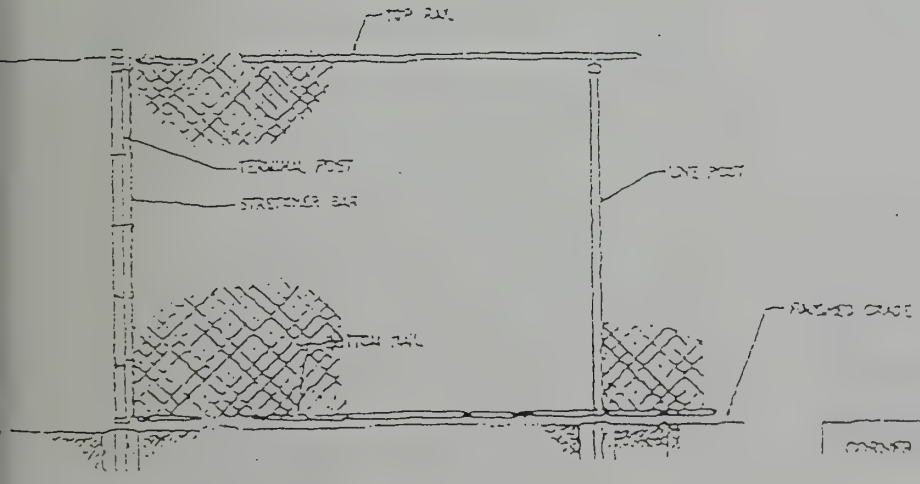
GRATE FRAME- MEDIUM 3-HOLE OR APPROVED EQUAL





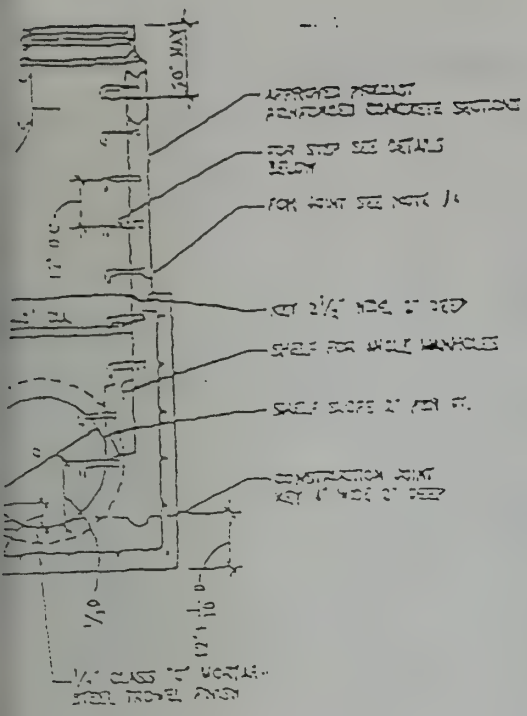
CATCH BASIN DETAIL 3

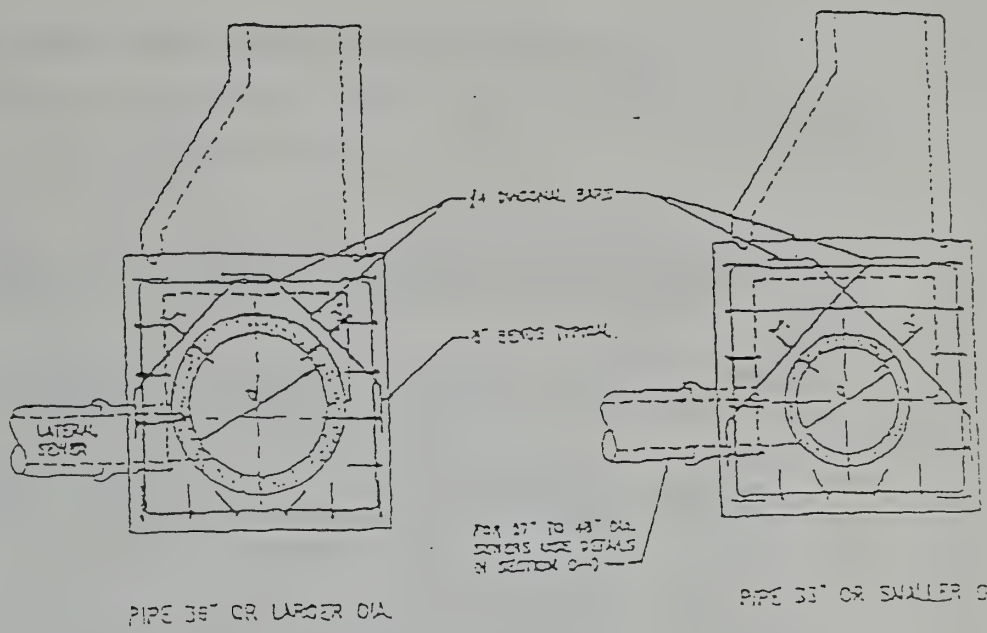
NTS



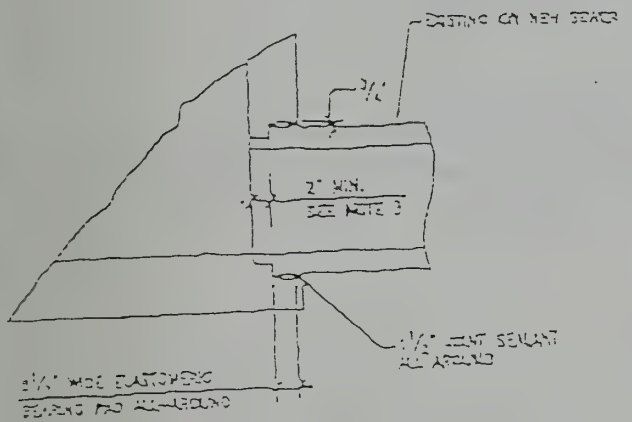
NOTES:

1. CHAIN LINK FENCE SHALL BE TYPE 'A' PER SF CITY STANDARDS
2. REFER TO DEPARTMENT OF PUBLIC WORKS CITY AND COUNTY OF SAN FRANCISCO STANDARD SPECIFICATIONS SECTION 802 FOR CHAIN LINK FENCE SPECIFICATIONS





SECTION C-C



SECTION D-D
(SEE NOTE 3)

NOTES

1. ALL REINFORCING STEEL TO BE #4 BARS AND SHALL BE PLACED AT LEAST 2" FROM FACE OF CONCRETE EXCEPT WHERE OTHERWISE SHOWN.
2. PROVIDE CONTINUOUS BENDS AT ALL CORNERS OF #4 BARS 12 D.
3. WHERE END OF PIPE IS FIELD CUT, 2" MINIMUM COVER IS REQUIRED OVER CUT ENDS OF REINFORCING STEEL (SECTION C-C)
4. MANHOLE FRAME AND ALL JOINTS SHALL BE SET IN A FLEXIBLE CEMENT-JOINT SEALANT (RUBBER-NEX)
5. ALL PRECAST CONCRETE SHALL BE MANUFACTURED IN ACCORDANCE WITH ASTM C-478.
6. CAST-IN-PLACE CONCRETE FOUNDATION SHALL BE CLASS S-3500-3/4.
7. CONTRACTOR SHALL MINIMIZE THE NUMBER OF BRICK RINGS BY UTILIZING LARGEST SECTIONS AVAILABLE.

STANDARD CONCRETE MANHOLE (FOR PIPE SEWERS 27" TO 48" DIA.)

2

TAKEN FROM SAN FRANCISCO CLEAN WATER PROGRAM FILE NO. 4.03.1

NOTES

1. INSIDE DROP BOWL SHALL BE MANUFACTURED MONOLITHICALLY.
2. MINIMUM DEPTH OF BENCH AT OUTLET SECTION SHALL NOT EXCEED 6".

POST CONSTRUCTION BMP IMPLEMENTATION SCHEDULE

Trash Receptacle Pickup:	Following each Ballpark event or at a minimum, weekly.
Sweeping:	Following each Ballpark event.
Channel Skimming:	Every other month.
Site/Storm Water Inspection:	Before each storm season; after first major rainfall event of storm season; otherwise every 3 months. (Includes catch basins, CDS units and outfall.).
Catch Basin Cleaning:	Every 6 months or more often if sump is >40% full and/or Fossil Rock is >50% coated with contaminants or clogged (to be determined during inspections). Inspections as noted above.
CDS Unit Cleaning:	Every 6 months or more often if sump is >40% full and/or sorbent is >50% coated with contaminants or clogged (to be determined during inspections). Inspections as noted above.
Storm Water Sampling:	Samples will be collected during first hour of discharge from outfall from first storm event of the wet season, as long as storm occurs during scheduled operating hours of parking lot. A sampling event will also occur during one other storm event during the wet season. Wet season typically runs Oct 1-April 30. (Sample analysis will be conducted for: suspended solids, pH, oil/grease, dissolved metals, lead, copper and zinc.) (Sample reporting form to be modeled after Industrial Storm Water Sampling Event Reporting Form. Results submitted annually).

**Following initial year of monitoring, evaluate and revise sampling, inspection and reporting schedule (in cooperation with CCSF PUC and RWQCB-SF, as needed.*

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
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www.sfport.com

MEMORANDUM

October 5, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Amendment of Waterfront Land Use Plan to Allow General Office Use as part of a Mixed Use and Cruise Terminal Project at Pier 30-32 in the South Beach Waterfront.

DIRECTOR'S RECOMMENDATION: Approve Resolution to Amend the Waterfront Plan

BACKGROUND:

On May 25, 1999, the Port Commission approved Resolution No. 99-36, authorizing Port staff to issue an RFQ/P for the design and development of the Bryant Street Pier Project, including the James R. Herman Cruise Terminal, on Pier 30-32 and Seawall Lot 330 (the "Project"). On January 20, 2000, after an extensive review and evaluation of qualifications and proposals received, the Port Commission approved Resolution No. 00-03, authorizing Port Staff to enter into exclusive negotiations with San Francisco Cruise Terminal LLC (the "Developer") for the Project.

As required in the RFQ/P, the Developer's proposal includes the required cruise terminal facilities, as well as a mix of uses to activate the Pier on a year-round basis. Non-cruise Pier uses proposed by the Developer include office, an arts screen cinema, a live music venue, public access and open space, preserving Red's Java House, retail and entertainment, boat docks for excursion and visiting boats, among other uses. Seawall Lot uses being considered by the Developer include hotel and/or residential.

Over the past months, the Developer has continued to conduct their due diligence studies, and the Port and the Developer have begun a series of outreach meetings with community, regulatory and user groups to receive their input into the Project as the proposed design and use program continues to evolve.

This Print Covers Calendar Item No. 8A

As part of this outreach, Port Staff has begun discussions with staff from the State Lands Commission regarding the use program proposed by the Developer. Port Staff is planning to seek the concurrence of the State Lands Commission staff on the subject of incidental office use as part of an overall mixed-use program for the Project. Before proceeding with further discussions with the State Lands Commission, however, Port Staff is seeking the Commission's concurrence with such Port Staff actions in the form of an amendment to the Waterfront Plan to allow the possibility of such use. Although the Waterfront Plan currently lists Maritime Office as an Acceptable Use on Pier 30-32, it does not expressly address the question of acceptability of General Office use as part of a mixed use and cruise terminal project at this site. The Acceptable Land Use Table on page 140/140A should therefore be amended to add an "A" for General Office Use at Pier 30/32. In addition, language should be added to the last bullet under Commercial Uses on the Piers (Chapter 3, page 65), to clarify that where General Office is designated as an acceptable use on a Pier, it can be allowed if it is an incidental part of a larger development project of trust uses.

It is important to emphasize that Staff's recommended action to include General Office as an Acceptable Use for this site in no way reflects the Port Commission's approval of the character and use program proposed by the Developer. Although there have been general discussions with community, regulatory and user groups about the proposed use program, including possible office target markets, the amount or type of office or other uses which ultimately could be included in the Project has not yet been determined and remains speculative. For example, the amount or type of office, retail and entertainment included in the Project would be affected by the further design and operations plans for the cruise terminal, further consideration of the use program for the seawall lot, transportation and parking issues and myriad other factors.

The environmental impacts of Maritime Office use on Pier 30-32 were analyzed in the Waterfront Land Use Plan Program Final Environmental Impact Report certified in January 1997. The Planning Department's Office of Environmental Review has determined that the impacts of General Office use are identical to the impacts of Maritime Office use as a general land use category. Thus the proposed amendments to the Waterfront Land Use Plan do not require further environmental analysis. The Port Commission can not and will not make any determination about the use program for the Project until project-specific environmental review is completed, which currently is scheduled for Fall 2001.

RECOMMENDATION: Port Staff recommends that the Port Commission amend the Waterfront Plan to include General Office as an Acceptable Use at Pier 30-32.

Prepared by: Anne Cook, Manager, Waterfront Development Projects

Key

A = Acceptable Use
E/I = Existing Use/May Continue As Interim Use
X = Accessory Use

	Maritime Uses (5)											Open Spaces/Public Access		Residential Uses	Commercial Uses														Other Uses								
	Cargo Shipping	Fishing Industry	Ferry and Excursion Boats	Historic Ships	Maritime Office	Maritime Support Services	Passenger Cruise Ships	Recreational Boating and Water Use	Ship Repair	Temporary and Ceremonial Berthing	Water Taxis	Open Space	Public Access	Residential	Artists/Designers	Assembly and Entertainment	General Office (6)	Hotels	Museums	Parking	Retail (includes restaurants)	Recreational Enterprises	Visitor Services	Warehousing/Storage	Wholesale Trade/Promotion Center	Academic Institutions	Community Facilities	General Industry	Power Plant	Sports Facilities	Transportation Services
Pier 22½												A	A																							
Pier 24, 34												A	A																							
Pier 24½											A		A			A			A																
Pier 26, 26½, 28, 28½		A	A	A	A	A		A		A	A		A		A	A	A		A	X	A	A		X											
Seawall Lot 328																			A																
Pier 30-32			A	A	A	A	A			A	A	A	A		A	A			A	X	A	A	A	E/I	A		A								
Seawall Lot 329												A	A								A														
Seawall Lot 330														A		A		A		A	A														
Pier 36			A		A	A					A		A		A				A	X															
Pier 38			A		A	A		A	A	A	A		A		A				A	X	A		X	A											
Seawall Lots 331, 332, 333														A						A	A														
Pier 40, 40½			A		A	A		A		A	A		A						A	X	A			E/I											
Seawall Lot 334						A	A					A					A			A															
Seawall Lots 335, 336, Caltrans (AB 3794)						A	A					A	A		A	A	A		A	A	A	A		A											
Pier 46B			A	A	A	A		A		A	A				A	A			A	A	A			A			E/I	A*							
Pier 62						A						A	A															A							
Pier 48, 48½, 50		A		A		A	A		A	A			A								A							E/I							
Pier 50½, 52, Facility 265						A		A				A	A				A			X	A														
Pier 54		A	A	A		A	A				A		A																						
Pier 54½		A				A	A		A			A	A								A													
Pier 64												A	A																						
Pier 64½								A				A	A								A													
Facility 2012**												A	A		A					A	A													
Seawall Lot 337 (backland to Piers 48 & 50)	A					A		A												A								A						
Seawall Lot 337 (wetlands)**												A																						
Seawall Lot 345		A					A				A		A							X	A													
Portions of Seawall Lot 338 / 339**	REFER TO THE MISSION BAY SOUTH REDEVELOPMENT PLAN																																		

South Beach / China Basin Waterfront Acceptable Land Use Table (1, 2, 3,4)

Table Notes

1 This table focuses primarily on acceptable long-term uses for the sites described. The Plan also allows other interim uses on Port property, which uses are not identified in this table. See Chapter 3 for a description of interim use policies.

2 Refer to Chapter 3 and Chapter 4 for General Land Use Policies and specific Development Standards which apply to the acceptable uses and sites identified in this table.

3 Definitions of land uses are included in Appendix C, Glossary of Terms.

4 Uses are subject to further review for compliance with the Public Trust, BCDC, and Planning Commission policies, which will vary depending on factors specific to the use proposal such as pier condition, extent of proposed repairs, and/or whether the use is proposed within a National Register historic resource. (See Chapter 3 and 5 for further discussion of waterfront regulations.)

5 The table identifies acceptable maritime and maritime support activities best suited for the sites in this area. However, the Port Commission retains the authority to use Port sites for any maritime uses.

6 An "E/I" indicates existing general office uses in structures on the pier deck, which are allowed as interim uses pursuant to the interim use policies in Chapter 3.

* Refer to discussion of the China Basin Mixed Use Opportunity Area in Chapter 4 for conditions for determining whether a ballpark is an acceptable land use.

** Seawall Lot 337 was previously included within the 1991 Mission Bay Plan which has been rescinded and replaced with the Mission Bay Guidelines. The uses for this site will be re-evaluated by the Port. Portions of Seawall Lots 338-339 under Port ownership are within the Mission Bay South Redevelopment Plan area. See the Mission Bay South Redevelopment Plan for acceptable land uses for the portions of Seawall Lots 338-339 with the Mission Bay South Redevelopment Plan area.

Commercial Uses on Piers

- Artist/Designers Studios and Galleries - Includes craft studios and galleries
- Assembly and Entertainment - Includes conference facilities, theaters (cinemas and live performances), night clubs and nighttime entertainment venues, amusement parks, exhibition halls, public markets, children's entertainment
- Recreational Enterprise - Includes facilities offering recreational and athletic fitness services
- Museums
- Parking (accessory to acceptable uses only)
- Retail - Includes retail goods and services, eating and drinking establishments, and public markets
- Visitor Services
- Warehousing/Storage (excludes mini-storage on piers or within 100 feet of the shoreline)
- Wholesale Trade/Promotion Center - Includes wholesale trade promotion for a type of product, for example, California products (e.g. gourmet foods, wine, seafood, or other agricultural products), with related exhibit and conference facilities and import/export services.
- General Office (in buildings that are listed in the National Register of Historic Places, and bulkhead and connector buildings)

or if on incidental part of a larger development project of trust uses.

Commercial Uses on Seawall Lots

- Commercial Uses on Piers, as described above
- Hotel
- General Office (Pursuant to the *Burton Act*, seawall lots developed with General Offices must be declared surplus to maritime needs.)
- Parking (general parking facilities and parking accessory to acceptable uses)
- Warehousing/Storage (including mini-storage warehouses on seawall lots

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-78

ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO THE ADOPTION OF AMENDMENTS TO THE WATERFRONT LAND USE PLAN, AND ADOPTING AMENDMENTS TO THE WATERFRONT LAND USE PLAN

WHEREAS, Charter Section 3.581 grants to the Port Commission the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, In June 1997, the Commission adopted Resolution 97-50 adopting findings pursuant to the California Environmental Quality Act, and adopting the Waterfront Land Use Plan, including the Waterfront Design & Access element; and

WHEREAS, On May 25, 1999 the Port Commission adopted Resolution No 99-36 authorizing Port staff to issue a request for qualifications and proposals ("RFQ/P") for design and development of a first-class "James R. Herman International Cruise Terminal" and mixed-use development at Piers 30-32 and Seawall Lot 330 (together, the "Bryant Street Pier Project"); and

WHEREAS, On June 4, 1999, the Port issued an RFQ/P to design and develop the Bryant Street Pier Project, and

WHEREAS, On January 7, 2000 the Port Commission adopted Resolution 00-03, authorizing the Executive Director of the Port, or his designee, to execute an Exclusive Right to Negotiate agreement and incorporating the economic parameters outlined in the January 7, 2000 Memorandum for Agenda Item 8A for the January 11, 2000 Port Commission hearing, with the understanding that the final terms and conditions of the Lease and related documents negotiated between SFCT and Port staff during the Exclusive Negotiation Period will be subject to the approval of the Port Commission; and

WHEREAS, As required in the RFQ/P, the Developer's proposal includes the required cruise terminal facilities, as well as a mix of uses to activate the Pier on a year-round basis such as office, an arts screen cinema, a live music venue, public access and open space, preserving Red's Java House, retail and entertainment, boat docks for excursion and visiting boats, among other uses; and

WHEREAS, the Developer and Port Staff have begun a series of outreach meetings with the community, regulatory and user groups to receive their input into the Project as the proposed design and use program continues to evolve; and

WHEREAS Although there have been general discussions with community, regulatory and user groups about the proposed use program, including possible office target markets, the amount or type of office or other uses which ultimately could be included in the Project has not yet been determined and remains speculative; and

WHEREAS As part of this outreach, Port Staff is planning to seek the concurrence of the State Lands Commission staff on the subject of General Office use as part of an overall mixed use program for the Project; and

WHEREAS Port Staff is therefore seeking the Commission's concurrence with such Port activities in the form of an amendment to the Waterfront Plan to allow the possibility of such use; and

WHEREAS The Waterfront Plan currently lists Maritime Office as an Acceptable Use on Pier 30-32 but does not expressly address the question of acceptability of General Office use as part of a mixed use and cruise terminal project at this site; and

WHEREAS On October 10, 2000, the Port Commission held a public hearing to receive public comments and consider the proposed amendments to the Waterfront Land Use Plan outlined in the October 5, 2000 Memorandum for this Agenda Item; and

WHEREAS, The environmental impacts and mitigation measures associated with Maritime Office Use were analyzed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 20, 1997, and

WHEREAS The Planning Department's Office of Environmental Review has determined that the impacts of General Office use are identical to the impacts of Maritime Office use as a general land use category and, therefore, the proposed amendments to the Waterfront Land Use Plan do not require further environmental analysis; now, therefore, be it

RESOLVED, That the Port Commission has considered the information in the FEIR and, based thereon and on the findings above, the Port Commission hereby finds that: (1) the WLUP amendments are within the scope of the project analyzed in the FEIR and do not raise any important new issues about the significant effects on the environment not previously considered in the FEIR; (2) no

changes are proposed or have occurred in the WLUP analyzed in the FEIR that would require major revisions to the FEIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; (3) no substantial changes have occurred with respect to the circumstances under which the amendments are being adopted that would require major revisions to the FEIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; (4) no new information of substantial importance has become available since the FEIR was certified indicating that: (a) the Waterfront Land Use Plan or the proposed amendments will have one or more significant effects not discussed in the FEIR; (b) significant effects examined in the FEIR would be substantially more severe; (c) mitigation or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project; or (d) mitigation measures or alternatives which are considerably different from those analyzed in the FEIR would substantially reduce one or more significant effects on the environment; and (5) the proposed amendments to the WLUP otherwise pose no potential for any significant environmental effects; and therefore there is no need to prepare a supplement to the FEIR or recirculate the FEIR, and be it further

RESOLVED, That the Port Commission hereby adopts the amendments to the Waterfront Land Use Plan, to add an "A" to the Acceptable Land Use Table on page 140/140A for General Office use at Pier 30/32 and to clarify in Chapter 3 page 65 that where General Office is designated as an acceptable use on a pier it can be allowed if it is an incidental part of a larger development project of trust uses; and be it further

RESOLVED, That the Port Commission hereby authorizes the Executive Director to make such minor technical or non-material changes to the Waterfront Land Use Plan, in consultation with the City Attorney, as he deems appropriate to implement the intent of this Resolution; and be it further

RESOLVED, that the Port Commission will not act to approve a Lease or related documents nor make any determination about the use program for the Project until project-specific environmental review under the California Environmental Quality Act (CEQA) has been completed and considered by the Port Commission.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of October 10, 2000.

_____

Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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MEMORANDUM

October 5, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational presentation on the proposals submitted in response to the Request for Proposals to lease and develop the Piers 1 ½ - 3 – 5 Preservation Project.

DIRECTOR'S RECOMMENDATION: FOR INFORMATION ONLY; NO ACTION REQUIRED

This staff report provides information on the following three proposals submitted in response to the Request for Proposals to lease and develop the Piers 1 ½ - 3 – 5 Preservation Project:

- **Embarcadero Waterfront Partners, LLC:** Levin Menzies Kelly & Associates, LLC, manager.

- **San Francisco Waterfront Partners, LLC, joint venture:** Putnam Waterfront Partners, LLC, managing member; and The Jefferson Company, development manager, including construction management oversight.

- **Watermark Partners, LLC, joint venture:** Fidelity Partners, Inc., managing member; and ING Realty Partners.

This report presents the information in alphabetical order of the respondents; the order of presentation does not reflect the relative ranking of the proposals.

This Print Covers Calendar Item No. 8B

BACKGROUND

On February 8, 2000, the Port Commission by Resolution No. 00-07 approved the development concept for the Piers 1½ - 3 – 5 Mixed Use Preservation Project ("Piers Preservation Project"), which was recommended by the Ferry Building Waterfront Advisory Group, and the Port Commission authorized issuance of a Request for Proposals for the Piers Preservation Project ("RFP"). The RFP was subsequently issued on March 10, 2000, and its deadline for submittals was extended to August 31, 2000 while issues concerning the interface of the Piers Preservation Project and the adjacent Hornblower Yachts, Inc. leasehold were resolved.

The Site for the Piers Preservation Project, as revised in Addendum No. 3 of the RFP, is shown on the attached Site Plan. The development opportunity described in the RFP (amended to reflect the revised Site) is as follows:

> "...the Port is seeking a qualified developer to lease from the Port the existing Piers 1½, 3 (portion) and 5 with a site area of about [55,221] square feet. Parcels available for development have about [60,036] gross square feet of existing building area including upper floors, and parcels for public access have about [14,464] square feet. The selected developer will be required to design, construct, and operate the Project..."

The Port's primary goals for the Piers Preservation Project are stated in the following Mission Statement for this development opportunity, which was approved by the Port Commission and was contained in the RFP:

> "The goals of this development are to: (1) create an inviting mixed-use Project which will help attract the public to the Bay and enhance their waterfront experience; (2) preserve and rehabilitate the historic waterfront maritime buildings on the Site; and (3) provide rental revenue to the Port to support its public trust mandate.
>
> "The Project will have a quality design that is authentic to the historic maritime character of the Ferry Building Waterfront and the Northeast Waterfront. The Project will be designed to respect this character, to bring new commercial and maritime activity to the Ferry Building Waterfront, and to maximize public access to and enjoyment of the Project's spectacular waterfront setting."

SUMMARY OF PROPOSALS

Three proposals were submitted by the RFP deadline of August 31, 2000. The respondents, including the development entity, the developer and the development team, are summarized in the following table.

Development Entity:	**Embarcadero Waterfront Partners, LLC**	**San Francisco Waterfront Partners, LLC, joint venture**	**Watermark Partners LLC joint venture**
Developer:	Levin Menzies Kelly & Associates, LLC (Marvin Levin, Paul Menzies, Mike Kelly), manager	• Putnam Waterfront Partners, LLC, the Managing Member (Donald Putnam, Chairman; Simon Snellgrove, Managing Member, and President of Joint Venture; and Heather King-McPherson, overall financial responsibility) • The Jefferson Company, the Development Manager (Todd Clayter) and Construction Manage Oversight (Kim Wilhelm) • Other Investors	• Fidelity Partners, Inc., the Managing Member (Sanora Monteko, Joseph Sherman, Herve Vatinel, Perry Raanan) • ING Realty Partners
Development Team:			
• Legal Counsel	Crosby Heafy Roach & May: Eun Hee Chang (legal representative in negotiations) Baker & McKenzie: Tim Tosta	Farella Braun & Martell: Mary Murphy	Reuben & Alter: Jim Reuben
• Architecture	Kwan Henmi Architecture/ Planning: Denis Henmi, Jeff Stahl	Richard Hannum & Associates: Richard Hannum, Janine Moss	Heller-Manus Architects: Clark Manus, Peter Zepponi
• Historic Preservation Architects	Page & Turnbull: John Turnbull, Frederic Knapp, John Alvarez II	Carey & Co. Inc: Alice Carey, Nancy Goldenberg	Architectural Resources Group: Bruce Judd
• Landscape Architect	Stevens & Assoc: Myles Stevens		
• Structural Engineers	Structus Consulting Engineers: Fu-Lien (Henry) Chang	Peter Culley & Associates: Peter Culley, John Hare	Telesis Engineers: Charles Thiel
• Pier Engineering Consultant			Hratch Kouyoumdjian & Associates: Michael O'Sullivan
• Mechanical & Electrical Engineers		Glumac & Assoc: Dick Glumac, Rick Thomas, Michael Suttie	
• Marine Consultants		Charles I. Rauw, Consulting Engineers: Charles Rauw	Power Engineering Contractors Inc: Ken Lindberg, David Mik
• Geotechnical Engineers			Treadwell & Rollo: Frank J. Rollo
• Public Affairs			Andrew Sun and Associates: Andrew Sun

Development Entity:	Embarcadero Waterfront Partners, LLC	San Francisco Waterfront Partners, LLC, joint venture	Watermark Partners LLC joint venture
• Environmental Planning			Environmental Science Associates: Karl Heisler
• Traffic Planning			Korve Engineering: Paul Menaker
• Interior Design		Hirsch Bedner Associates: Michael Bedner	
• General Contractors	McCarthy Building Companies—Northern California Division: David Parkes, Michael Lipton	S.J. Amoroso: Dana McManus, George Leonoff	DPR Construction Inc: Greg Hulbert, Scott Reay
• Interior Contractors		Fineline Group: John Santori	
• Permitting			A.R. Sanchez Corea & Associates: Tony Sanchez
• Leasing	CB Richard Ellis: Darin Bosch		Grubb & Ellis: John Jensen, Dan Cressman
• Management & Operations	Levin Menzies Kelly, & CB Richard Ellis: Darin Bosch	Putnam Waterfront Partners	
• Lead Negotiator	Mike Kelly	Simon Snellgrove	Joseph Sherman

The proposals are summarized in the following table. Note that the financial projections included in this table were taken from the proposals submitted by the respondents.

Development Entity	Embarcadero Waterfront Partners, LLC	San Francisco Waterfront Partners, LLC, joint venture	Watermark Partners, LLC, joint venture
Project Concept	General office uses, except for one 1,500 SF café, Hornblower ticket office, and 6,000 SF museum. Retain Piers 1½ -3-5 bulkhead buildings and Pier 1½ building; replace Pier 3 shed with 2-story building. Expanded Portwalk around Pier 1.5 and belvederes at Pier 5 beyond parameters in RFP.	General office uses, except for four food & beverage establishments of various types and sizes, totaling 10,930 SF, and Hornblower ticket office. Retain Piers 1½ - 3-5 bulkhead buildings and Pier 1½ building; add second floor to Pier 3 shed. Floating docks for berthing of excursion boats, recreational boats and water taxis, and for historic boat and ceremonial berthing. Expanded Portwalk and Bayside History Walk beyond parameters in RFP. Portwalk lowered and separated from existing pier edges.	General office uses, except 2,500 SF casual restaurant (or 5,000 SF upscale restaurant, and possibly one other food & beverage establishment), ticket office, and 3,000 SF maritime use. Retain Piers 1½ -3-5 bulkhead buildings and Pier 1½ building; replace Pier 3 shed with 3-story building. Two Scenarios: • Scenario One: Eliminate vehicular access through Pier 3 arch, and reroute around perimeter of Pier 3. Replace Pier 1½ building with 3-story building. • Scenario Two: Retain vehicular access through

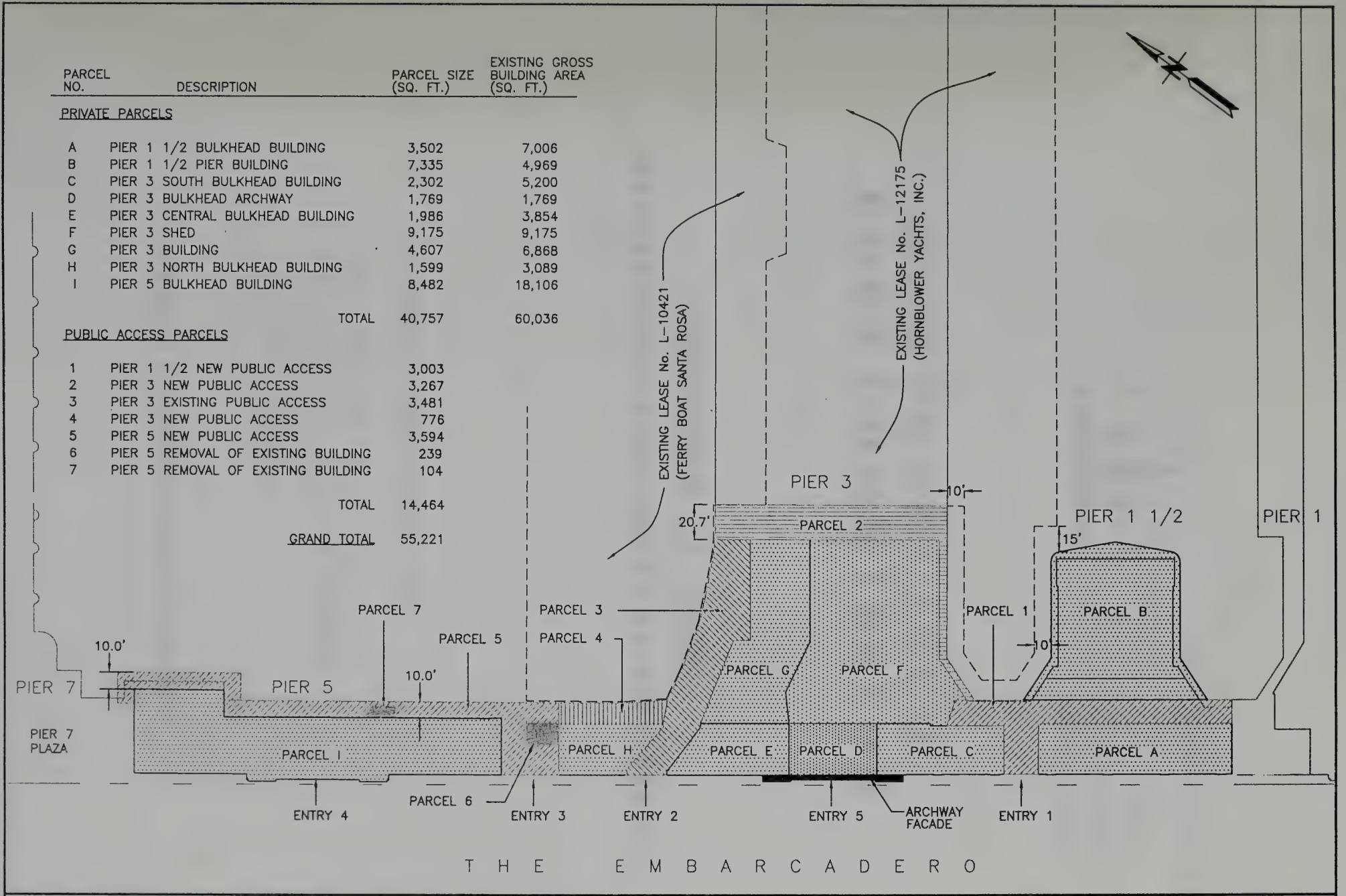
Development Entity	Embarcadero Waterfront Partners, LLC	San Francisco Waterfront Partners, LLC, joint venture	Watermark Partners, LLC, joint venture
			Pier 3 arch. Retain Pier 1½ building, but extend Pier 1½ bulkhead building over public access area. Berthing of historic boat on adjacent Hornblower leasehold. Portwalk modified from parameters in RFP.
Development Program:			
• Public Access Space (Excluding off-site Pier 7 plaza and any exclusive perimeter vehicular access space)	Exterior: 9,900 SF Interior: 6,600 SF Total: 16,500 SF	Exterior: 19,740 SF Interior: 9,467 SF Total: 29,207 SF	Exterior: 9,650/12,370 SF Interior: 0 / 4,320 SF Total: 9,650 / 16,690 SF (Scenario One/ Two)
• Total Commercial Space	68,501 Rentable SF	75,205 Rentable SF	103,800 Rentable SF (Scenario One)/ 91,140 Rentable SF (Scenario Two)
• Restaurants & Cafes	1,500 SF casual café	Four food & beverage establishments totaling 10,930 SF: • Popular-priced, 3-meal casual diner • Gourmet coffee shop/ maritime books and magazines. • Oyster bar • Upscale restaurant	2,500 SF casual restaurant (or 5,000 SF upscale restaurant) at Pier 5; plus 6,400 SF food & beverage establishment at Pier 1½ if commercially viable.
• Offices	59,402 SF	63,612 SF	96,900 Rentable SF (Scenario One); 84,140 Rentable SF (Scenario 2)
• Museum	6,000 SF		
• Hornblower Ticket Office	1,599 SF	663 SF	1,400 SF (Scenario One)/ 1,500 SF (Scenario Two)
• Other Maritime Uses		Historic boat & ceremonial berthing, and recreational boat, excursion boat, and water taxi berthing.	3,000 SF maritime office and support (Hawkes Ocean Technologies) and berthing of historic ship (Presidential Yacht Sequoia) on adjacent Hornblower leasehold.
Financial Proposal:			
• Initial Guaranteed Annual Base Rent	$550,000	$600,000	$316,000; $50,000 after rent credits.
• Base Rent Adjustments	Adjusted every 5 years by change in CPI	Increased every 5 years by increase in CPI, with 10 % minimum and 20% maximum	Adjusted annually by change in CPI, not to exceed 3%.

Development Entity	Embarcadero Waterfront Partners, LLC	San Francisco Waterfront Partners, LLC, joint venture	Watermark Partners, LLC, joint venture
		increases.	
• Percentage Rent	20% of total rental revenue in excess of $3.8 M, less receipt by Port of any CPI adjustment to Base Rent.	15% of gross rental receipts less Base Rent, paid quarterly.	7.5% of gross rent net of Base Rent
• Percentage Rent Adjustments	None indicated in proposal.	None	To be discussed during exclusive negotiations
• Rent During Construction	$550,000 per year	$316,000 to be added to Port's share of value of project, or paid to Port	None indicated in proposal.
• Rent credits	None	None	100% of subsurface costs, provided that Port to receive net rent of at least $50,000 per year .
• Lease Term	50 years	50 years; would seek to negotiate option to extend to 66 years	50 years with 15 year renewal option
• Port's Participation in sale or refinancing proceeds	20% of all profits or excess sums after brokerage commissions and customary expenses of sale or refinance, including repayment of existing debt & equity.	Share in net proceeds from sale, transfer or refinancing in proportion to Port's share of total project costs, based upon: • Capitalizing minimum rent at 8%, plus • Total of Base Rent not paid to Port during construction ($316,000 per year), plus • Port's $2Million substructure repair cost, plus • Port's share of historic tax credits If Port shares in refinancing proceeds, Port's ongoing percentage Rent is adjusted to reflect additional financing costs.	Not applicable—Watermark intends to hold for lease term
• Historic Tax Credits	50% of net	Port to participate at same ratio as Port's participation above	To be discussed during exclusive negotiations.
Projected Rent to Port:			
• 1ST year total rent to Port (Base Rent plus percentage rent, less rent credits)	$550,000	$761,131	$50,000
• Years 1-10 total rent to Port (Base Rent plus	$5,887,908	$8,725,512	$483,000

Development Entity	Embarcadero Waterfront Partners, LLC	San Francisco Waterfront Partners, LLC, joint venture	Watermark Partners, LLC, joint venture
percentage rent, less rent credits)			
Projected Project Costs:			
• Hard Costs (Including tenant improvement allowance and contingency; excluding Port substructure work)	$18.3 Million	$28.4 Million	$25.7 Million (Scenario One)/ $24.9 Million (Scenario Two)
• Soft Costs	$3.9 Million	$7.9 Million	$6.6 Million/ $6.0 Million
• Total Development Costs	$22.2 Million	$36.3 Million	$32.3 Million/ $30.9 Million
Funding:			
• Historic Tax Credits	To be determined.	14%	
• Mortgage Debt	75%	65%	65%
• Equity	25%	21%	35%
Schedule:			
• Start Construction	February 1, 2002	January 7, 2002	May 17, 2001 (Sub-structure)
• Complete Construction	January 1, 2003	June 30, 2003	November 23, 2001 (Pier 5); August 8, 2002 (Pier 1.5)

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PARCEL NO.	DESCRIPTION	PARCEL SIZE (SQ. FT.)	EXISTING GROSS BUILDING AREA (SQ. FT.)
PRIVATE PARCELS			
A	PIER 1 1/2 BULKHEAD BUILDING	3,502	7,006
B	PIER 1 1/2 PIER BUILDING	7,335	4,969
C	PIER 3 SOUTH BULKHEAD BUILDING	2,302	5,200
D	PIER 3 BULKHEAD ARCHWAY	1,769	1,769
E	PIER 3 CENTRAL BULKHEAD BUILDING	1,986	3,854
F	PIER 3 SHED	9,175	9,175
G	PIER 3 BUILDING	4,607	6,868
H	PIER 3 NORTH BULKHEAD BUILDING	1,599	3,089
I	PIER 5 BULKHEAD BUILDING	8,482	18,106
	TOTAL	40,757	60,036
PUBLIC ACCESS PARCELS			
1	PIER 1 1/2 NEW PUBLIC ACCESS	3,003	
2	PIER 3 NEW PUBLIC ACCESS	3,267	
3	PIER 3 EXISTING PUBLIC ACCESS	3,481	
4	PIER 3 NEW PUBLIC ACCESS	776	
5	PIER 5 NEW PUBLIC ACCESS	3,594	
6	PIER 5 REMOVAL OF EXISTING BUILDING	239	
7	PIER 5 REMOVAL OF EXISTING BUILDING	104	
	TOTAL	14,464	
	GRAND TOTAL	55,221	



APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	DEVELOPMENT SITE SITE PLAN (REVISED)

DRAWN BY: ECC	DATE: JUN 21, 2000
CHECKED BY: EB/KB	SCALE: NONE
DRAWING NO.	SHEET NO. 1 OF 3 SHEETS

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SAN FRANCISCO
PORT COMMISSION

OCTOBER 10, 2000
MINUTES OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE REGULAR MEETING
OCTOBER 10, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:05 p.m. The following Commissioners were present: Kimberly Brandon, Denise McCarthy, Michael Hardeman and Pius Lee. Commissioner Brian McWilliams was not present.

2. APPROVAL OF MINUTES - September 19, 2000 Special Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the September 19, 2000 Special Meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report:

- Fleet Week – The annual Fleet Week event with the U.S. Navy took place this past weekend and it was a huge success. Last Friday, eight Navy ships were berthed along the seven-and-a-half-mile San Francisco waterfront, from Pier 45 to Pier 94. The largest ship, the 1100-foot aircraft carrier USS Constellation, and her crew of 5500, docked at Pier 30/32, site of San Francisco's future cruise terminal. All the ships sailed from the Port this morning. Approximately, 12,000 sailors enjoyed the local hospitality of San Francisco. The Embarcadero and downtown streets were awash with naval personnel, their families, and friends. Many of the ships were open for tours, and more than 50,000 people visited them. The Blue Angels flight team performed Saturday and Sunday. Mr. Wong commended John Davey, Maritime Operations Manager, and the rest of the Maritime Department for coordinating the event.

- Pier 98 Award – Port staff was recently notified that the Port and its contractor, the San Francisco League of Urban Gardeners, are being recognized for their work at Heron's Head Park with a "Beautification Award" from San Francisco Beautiful, a non-profit organization dedicated to promoting civic beauty. Also at Heron's Head Park, the education and community participation programs continue to find support within the community. In 2000, more than 600 students, primarily from schools in the Bayview Hunter's Point neighborhood, have visited the site for educational programs. Students and neighbors participate in monthly volunteer clean-up and restoration days at the park. A local organization, Literacy for Environmental

Justice, was recently awarded $5,000 from the Levi Strauss corporation to support public participation programs at Heron's Head Park. Port staff is pleased that our fledgling park is truly becoming a community resource and the Commission should be proud of its commitment and support for this unique project.

- Bay Area Transit Authority Funding - On September 28, 2000, the Governor signed SB 1662 by Senator John Burton which appropriates $12 million from the State's Public Transportation Account for the creation of the Bay Area Water Transit Authority. This funding will be used to fund the environmental impact reports and design functions specified in SB 428 by Senator Peralta. The Authority, comprised of Gubernatorial, Legislative and local appointees, will be preparing a work plan for submission to the Legislature. Our Government Affairs staff and Port's Sacramento lobbyists took a lead role in getting the funds appropriated. San Francisco and its Mayor played a major role in the BAWTA's establishment and look forward to continuing to support the BAWTA's efforts as they lay the groundwork for planning the ferry facilities of our region and services for the next twenty years.

- Hood & Strong - The Port's net operating income is $11,527,000, an increase of $2,688,000 from the previous year. The net income does not include other developments along the Embarcadero.

- South America Marketing Trip – Mr. Dailey gave a brief summary of their successful trip to South America.

  Claude Jacques, Foreign Trade Zone, enthusiastically reported the numerous emails received from the companies they visited in South America expressing their interest in doing business with the Port of San Francisco.

  Commissioner Brandon thanked all the delegates for their efforts, enthusiasm and expertise during their grueling but successful trip to South America.

4. CONSENT CALENDAR

5. MARITIME

6. REAL ESTATE

A. Informational presentation regarding Building Code Violation and Lease Enforcement.

Ms. Theresa Picon, Director of Real Estate, summarized the procedures for notification of code violations concerning lease property – general code issues. Mr. Alex Lee, Director of Facilities & Maintenance, enumerated the procedures for notification of general code violations concerning lease property – life safety issues. Ms. Karen Clopton, Chief of Operations, mentioned that she was spearheading the drafting of an Evictions Protocol that will incorporate a team to more effectively respond to those issues. The team will include members of Maritime, Real Estate, Public Relations, Engineering and Maintenance. The proposed Protocol will be presented at the Commission's November meeting.

Commissioner Lee was concerned about the problem at Pier 45 and with the Alioto Fish Company. He felt that the policy was not sufficient and suggested developing a policy that would be fair to everyone. He asked staff to follow the Department of Building Inspection's (DBI) policy of giving notice to tenants and giving them a chance to comply with the code violation. He suggested that DBI should perform the inspections and issue the citation.

Commissioner McCarthy indicated that information is covered in the flowchart provided to the Commission. She suggested that the Port provide all current and future tenants a copy of the policy so they are aware of the requirements.

Charlie Akwa talked about the building code concept and indicated that the flowchart is not a reality. Their leases already cover code violations.

Dan Strazzullo indicated that out of 17 tenants at Pier 45, only six have met all the requirements. He built his facility according to his lease. He wondered which building code the Port follows since the State Health Department's policy is less stringent than the City's.

B. Adoption of Findings Pursuant to Negative Declaration and Consent to Use subject to conditions, pursuant to Lease No. L-12515, between the Port and China Basin Ballpark Company for property located at Seawall Lot 337, between Third Street, Terry Francois Boulevard, and Mission Rock Street, to allow commuter parking and special events on a year-round basis, and consenting to continued presence of existing billboard. (Resolution 00-79)

Ms. Theresa Picon, Real Estate Director, presented the item and requested Commission's approval.

Corinne Woods asked the Commission to encourage short term rather than long-term commuter parking. She also suggested that the parking rates be reviewed annually. There will be more demand for parking when the Mission Bay project is completed. She offered a correction to Attachment A of the resolution, changing the word "trash" to cleaning.

Commissioner McCarthy concurred with Ms. Woods' comments and asked staff to make the correction and to review the parking rates annually.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-79 was adopted.

7. FACILITIES & MAINTENANCE

8. PLANNING & DEVELOPMENT

A. Amendment of Waterfront Land Use Plan to Allow General Office Use as part of a Mixed Use and Cruise Terminal Project at Pier 30-32 in the South Beach Waterfront. (Resolution No. 00-78)

Ms. Anne Cook, Waterfront Development Coordinator, presented the item and requested Commission's approval.

Theresa Rea, Land Planner and chair of the Waterfront Task Force, indicated that their committee was afforded a full understanding of the winning proposal and understands the necessity of it being a mixed-use program. The CAC wholeheartedly supports the project and urged the Commission to approve the amendment.

Richard Dickerson, Chairman of the Rincon Park-South Beach CAC, indicated that they were consulted numerous times by the developer about this project and wholeheartedly supports it as well.

James Haas, former chair of the Rincon Park-South Beach CAC, indicated that the cruise terminal project is a major addition to the waterfront and he supports the proposed change in the Plan and urged the Commission to approve it.

Jennifer Clary, Chair of San Francisco Tomorrow, wondered what triggered the application to change the Plan since the change should be triggered by State Lands. She wondered if the designation from maritime or general office would trigger CEQA. She also asked about the cumulative impact to the waterfront.

Anne Cook replied that staff wanted to obtain Commission's approval first before going to State Lands. With regard to environmental review, staff discussed this with the Office of Environmental Review and the review will be done shortly. Only after the environmental review is completed will the exact amount of office space be known and brought back to the Commission for approval. They are trying to determine the impact of the project to the waterfront.

Commissioner Brandon commended the developer's efforts in working with the CAC.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-79 was adopted.

B. Informational presentation on the proposals submitted in response to the Request for Proposals to lease and develop the Piers 1-½, 3, 5 Preservation Project.

Rich Hillis, Acting Director of Planning & Development, indicated that Embarcadero Waterfront Partners, LLC, San Francisco Waterfront Partners, LLC and Watermark Partners LLC will be making an informational presentation regarding the proposals submitted in response to the RFP.

The following representatives from the Embarcadero Waterfront Partners LLC gave a brief presentation of their proposal: Mike Kelly, Frances Chung, Dennis Henmi and Jeff Stall. They introduced the development team, project concept, development program, financial proposal, projected rent to the Port, projected project costs and benefits to the Port.

The following representatives from the San Francisco Waterfront Partners, LLC, gave a brief presentation of their proposal: Don Putnam, Simon Snellgrove, Jim Jefferson and Richard Hannum. They introduced the development team, project concept, development program, financial proposal, projected rent to the Port, projected project costs and benefits to the Port.

The following representatives from the Watermark Partners LLC, gave a brief presentation of their proposal: Joe Sherman, Clark Manus, Greg Hollneck, David Mik, and Charles Thiel. They introduced the development team, project concept, development program, financial proposal, projected rent to the Port, projected project costs and benefits to the Port.

Joe Wyman of Hornblower and Jean Myerson of the Swig Company, endorsed Embarcadero Waterfront Partners LLC.

Jane Winslow, outreach consultant for Embarcadero Waterfront Partners LLC, gave her support to the team.

9. FINANCE & ADMINISTRATION

10. NEW BUSINESS / PUBLIC COMMENT

Ms. Stephanie Cincotta and her attorney, Bob Moore, spoke about the problems at Wharf J-10. Mr. Moore asked the Commission to calendar this item at the next Commission meeting.

Bill Carson indicated that to lose the Alioto Fish Company would be an injustice. He asked the Commission to do something about it.

Commissioner Lee asked the Executive Director to work with the Alioto family to resolve the situation at Wharf J-10.

Commissioner Brandon indicated that the Port's legal staff and the Alioto's attorney are working together on this matter.

Legal Counsel Neil Sekhri cautioned the Commission to refrain from discussing this item further since this item is not on the agenda. He confirmed that the City Attorney's office and the Executive Director are working on this matter.

Commissioner Lee asked that this item be calendared at the next meeting. Legal Counsel Neil Sekhri replied that this item could be calendared as an informational item. Port staff and the City Attorneys office are working with the Alioto's on an on-going basis.

Commissioner McCarthy asked staff to include in the presentation the information on setting up the crab pots before the start of the crab season.
Daniel Strazzullo indicated that there are two empty stalls at Pier 45 that the Alioto's can occupy. He offered to squeeze the Alioto Fish Company into his leased property.

Corinne Woods commented on Item 6A. She asked the Commission to give the tenants ample notice before issuing any citation.

Hans Ullmark, President of the communications company for Titanic II, gave a brief presentation about their proposed plan for Titanic II at Pier 35. They hope to bring the ship to San Francisco in 2003.

Commissioner Brandon indicated that the Commission is hesitant about their proposal because of its experience with the Lurline.

Billy Rutland assured the Commission that the team for the Titanic II project has enough capital to finance the project and has had conversations with the Lurline group.

Commissioner Brandon directed the Executive Director to meet with the group, obtain necessary information to ensure that the project is feasible and report back to the Commission.

11. EXECUTIVE SESSION

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 5:35 p.m., the Commission withdrew to executive session to discuss the litigation matters:

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS:

a. Discuss existing litigation matters pursuant to subdivision (a) & (d) of California Government Code Section 54956.9:

- CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-action, San Francisco Superior Court Case No. 989618 (Action Item)

- Commercial And Interiors Construction, Inc., and CICO-R&W, a Joint Venture v. Port of San Francisco, and related cross-complaint, Santa Clara Superior Court Case No. 782855 (Action Item)

- In Re: CICO-R&W, a Joint Venture, and related adversary proceedings, United States Bankruptcy Court, Northern District of California, Case No. 98-13790-AJ-7. (Informational Item)

- Arthur Corona v. City and County of San Francisco, San Francisco Superior Court Case No. 303734 (Action Item)

At 6:05, the Commission returned from executive session and convened in open session.

ACTION: Commissioner Hardeman moved approval of settlement of litigation entitled Corona v. CCSF for payment of $35,000 in exchange for a full release of claims and approval of settlement of two litigation matters entitled CICO-R&W v. Port of San Francisco under the terms outlined in the Commission agenda and upon the recommendation of the City Attorney's office. Commissioner Lee seconded the motion. All of the Commissioners were in favor.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 8:10 p.m., the Commission withdrew to executive session to discuss real estate negotiations.

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Municipal Railway: David Esparaza

b. Property: Ferry Building
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager
*Wilson Cornerstone: Chris Meany

c. Property: Lapis Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Lapis Restaurant: Daniel Mash

d. Property: Embarcadero
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Pedicabs: Jeff Sears

e. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development
*Malrite Group: Dennis Barrie

f. Property: Pier 70
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development

12. RECONVENE IN OPEN SESSION

At 9:10 p.m., the Commission returned from executive session and convened in open session.

ACTION: Commissioner Hardeman moved approval to not disclose any information discussed in executive session; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

13. ADJOURNMENT

The meeting was adjourned at 9:10 p.m.

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0/24/00 } Cancelled
1/14/00 }
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PORT OF SAN FRANCISCO

NOTICE OF CANCELLED MEETINGS

The following Regular Port Commission Meetings have been cancelled:

OCTOBER 24, 2000 @ 4 P.M.
and
NOVEMBER 14, 2000 @ 4 P.M.

The following Special Port Commission Meetings have been scheduled:

NOVEMBER 1, 2000 @ 3 P.M.
and
NOVEMBER 21, 2000 @ 3 P.M.

DOCUMENTS DEPT.

OCT 2 0 2000

SAN FRANCISCO
PUBLIC LIBRARY

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA 94111
(415) 274-0406

OCTOBER/NOVEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
October 24 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 1 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 14 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 21 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Helen Chan	274-0400

DOCUMENTS DEPT.

OCT 27 2000

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SAN FRANCISCO PORT COMMISSION

SPECIAL MEETING
3:00 P.M., WEDNESDAY, NOVEMBER 1, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - October 10, 2000 Special Meeting

3. **EXECUTIVE**

   A. Resolution declaring that a memorial honoring the Bay Area Veterans of the Abraham Lincoln Brigade should be placed in Harry Bridges Plaza. (Resolution No. 00-80) (Staff report provided to the Commission.)

   B. Executive Director's Report

   C. Report on the AAPA Annual Convention in Veracruz, Mexico.

4. **CONSENT CALENDAR**

   A. Approval of a sublease between AMB Property L.P. and Venture Law Group, a Professional Corporation, for office space at Pier 1. (Resolution No. 00-83) (Staff report provided to the Commission.)

5. **MARITIME**

   A. Approval of First Amendment to Lease No. L-12938 with Pacific Marine Dining Yachts. (Resolution No. 00-84) (Staff report provided to the Commission.)

6. **PLANNING & DEVELOPMENT**

   A. Authorization to enter into a contract with the consultant team led by Economics & Planning Systems, Inc. to assist with negotiating the development agreement and lease and to assist with project review for the Bryant Street Pier Project. (Resolution No. 00-81) (Staff report provided to the Commission.)

   B. Resolution directing Port staff to include at least 150,000 square feet of arts, non-profit space in the Request for Proposal(s) for the Pier 70 Opportunity Area. (Resolution No. 00-85) (Staff report provided to the Commission.)

7. FINANCE & ADMINISTRATION

A. Approval of Software Vendor to provide the Port with Property & Maritime Management and Billing System. (Resolution No. 00-82) (Staff report provided to the Commission.)

8. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

9. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) PUBLIC EMPLOYEE APPOINTMENT – This is specifically authorized under California Government Code Section 54957.

a. Confirmation of Appointment of the Port's Director of Planning & Development.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING LITIGATION MATTER:

a. Discuss pending litigation matter pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

____ As Defendant _X_ As Plaintiff

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Port Property located at Pier 30-32
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Red's Java House: Steve Riley

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Red's Java House.

b. Property: Boondocks Restaurant at Pier 28
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Boondocks: James Kennedy

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Boondocks.

c. Property: Lapis Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Lapis Restaurant: Daniel Mash

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Lapis Restaurant.

d. Property: Sinbad's Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Sinbad's Restaurant: Thomas Stinson

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Sinbad's Restaurant.

e. Property: Ferry Building
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager/Alec Bash, Waterfront Planner, Special Projects
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

f. Property: Bayfront Park @ Mission Bay
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Catellus: Eric Harrison

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Mission Bay.

g. Property: Pier 35
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Titanic II: Hans Ullmark

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 35.

h. Property: Pier 27/31 or alternate properties located on the waterfront within Port jurisdiction
Person Negotiating: Port of San Francisco: Braj Norris, Special Assistant
*The Bay Area Sports Organizing Committee: Rob Weikert

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations with The Bay Area Sports Organizing Committee to allow the use of Port property to be included in San Francisco's bid for the 2012 Olympics.

i. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development
*Malrite Group: Dennis Barrie

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Pier 45, Shed A.

10. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

11. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

NOVEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
November 1 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 14 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 21 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building

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Southeast Waterfront Advisory Committee	Braj Norris	274-0540
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ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

October 25, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Denise McCarthy
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Resolution declaring that a memorial honoring the Bay Area Veterans of the Abraham Lincoln Brigade should be placed in Harry Bridges Plaza. (Resolution No. 00-80)

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION

BACKGROUND

The Bay Area Veterans of the Abraham Lincoln Brigade and Associates approached the Board of Supervisors and proposed that a memorial be established on the Embarcadero to honor of the Bay Area Veterans of the Abraham Lincoln Brigade. The Board of Supervisors then adopted Resolution No. 781-00 on August 28, 2000, subsequently approved by the Mayor, urging the Port to accept this memorial to be placed in Harry Bridges Plaza next to the Ferry Building.

The Abraham Lincoln Brigade was part of an international brigade of men and women who answered the call for volunteers to fight against fascism during the Spanish Civil War from 1936-1938. Each brigade was named after one of its national heroes and the United States brigade was called the Lincoln Brigade. These courageous activists were the first group of anti-fascist fighters in the 1930s and went to Spain to fight against Franco, Mussolini and Hitler in the name of humanity and justice. They were also the first inclusive military organization at a time when African Americans were relegated to segregated units because of Jim-Crow laws that existed. Out of the 3,000 American volunteers, 800 lives were lost in this effort.

Volunteers from the Bay Area and San Francisco were an integral part of this struggle. A number of them worked as longshoremen and seamen on our waterfront, and were active participants in the labor union strikes of 1934 and 1936. The Port would like to join the City and County of San Francisco in honoring these veterans by accepting a memorial to be placed in the plaza named after one our most recognized and respected labor leaders, Harry Bridges Plaza. Although there are more than 40 monuments all over the world in honor of the International Brigade Veterans, only two exist in the United States.

DEVELOPMENT OF MEMORIAL

The Bay Area Veterans of the Lincoln Brigade will raise funds for the design and construction of the memorial. Timing, placement, and design will be coordinated with the group working on the Harry Bridges monument. The exact location within Harry Bridges Plaza and the design of the memorial has not been determined. The Bay Area Veterans will work with Port staff and the Arts Commission to get the necessary design approvals. Once the design of the memorial is finalized, it will be brought back to the Port Commission for consideration and approval.

Prepared by: Veronica Sanchez, Manager, Governmental Affairs

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-80

WHEREAS, The Abraham Lincoln Brigade was a group of courageous young American men and women who responded to the international call for volunteers to fight against Franco, Hitler and Mussolini in the Spanish Civil War from 1936-1938; and

WHEREAS, At a time when African Americans were segregated in separate military units the Abraham Lincoln Brigade was the first non-Jim Crow, non-segregated military organization in the country; and

WHEREAS, Many of the Abraham Lincoln Brigade volunteers were from the Bay Area and worked as longshoremen and seamen on the San Francisco waterfront; and

WHEREAS, Several of these dedicated activists also participated in the San Francisco labor Union strikes in 1934 and the waterfront strike in 1936; and

WHEREAS, To date, only two memorials exist in the United States honoring the veterans of the Abraham Lincoln Brigade; and

WHEREAS, The Bay Area Veterans of the Abraham Lincoln Brigade and Associates, urged by the Board of Supervisors and City and County of San Francisco propose that a memorial be established in Harry Bridges Plaza to commemorate those that risked and some who lost their lives in the struggle against fascism; now therefore be it

RESOLVED, That the San Francisco Port Commission does hereby declare that a memorial should be placed in Harry Bridges Plaza honoring the Bay Area Veterans of the Abraham Lincoln Brigade; and be it further

RESOLVED, That the San Francisco Port Commission directs staff to bring back to the Commission for their consideration, proposals for design and placement of the memorial in Harry Bridges Plaza.

I hereby certify that the San Francisco Port Commission at its meeting of November 1, 2000 adopted the foregoing resolution.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

October 26, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of Sublease between AMB Property, L.P. and Venture Law Group, a Professional Corporation, for office space at Pier 1

DIRECTOR'S RECOMMENDATION: APPROVE SUBLEASE BETWEEN AMB PROPERTY, L.P. AND VENTURE LAW GROUP, A CALIFORNIA PROFESSIONAL CORPORATION, FOR LEASE OF OFFICE SPACE AT PIER 1

BACKGROUND

On August 2, 1999, the Port entered into a Development Agreement and a 50-year lease ("Lease") with AMB Property, L.P., a Delaware limited partnership ("AMB"), for lease of Pier 1. Pursuant to the Development Agreement and Lease, AMB is obligated to construct office space at Pier 1, and is allowed to sublease a portion of this office space. The Lease provides that the subleases are subject to the Port's consent, but that the Port may not withhold its consent to a sublease unless it determines that the proposed use is inconsistent with the Lease or the sublease fails to meet the Port's reasonable conditions. These conditions include: (1) that the use be consistent with the Lease, (2) that the sublease is expressly made subject to the terms of the Lease, (3) that the term of the sublease does not extend beyond either the term of the Lease or beyond 10 years, (4) that AMB remains liable under the Lease, (5) that the proposed subtenant provides adequate insurance and indemnification of the Port, and (6) that the Port has not exercised its expansion option for the space.

AMB has submitted its request for the Port's consent to a proposed sublease ("Sublease") between AMB and Venture Law Group, a Professional Corporation, dated September 28, 2000. Venture Law Group is a Silicon Valley law firm, which plans to open a San Francisco office at Pier 1.

SUBLEASE TERMS:

The material terms of the Sublease include the following:

Use: The proposed use is for general office purposes.

Premises: Approximately 27,359 rentable square feet, located adjacent to the Port of San Francisco space at Pier 1.

Term: Ten years, with an anticipated commencement date of May 1, 2001, and in no event extending beyond April 30, 2011.

Monthly Base Rent:	Years 1–3	$189,324	($6.92 per rentable sq. ft. NNN)
	Years 4-7	$193,793	($7.08 per rentable sq. ft. NNN)
	Years 8-10	$198,353	($7.25 per rentable sq. ft. NNN)

Insurance/Indemnity: The Sublease provides that the Subtenant will name the City and the Port as additional insureds, and includes the City and Port within the scope of the indemnity.

Subject to Master Lease: The Sublease provides that is it subject to and subordinate to the Lease between the Port and AMB.

Port staff has reviewed the Sublease and finds that it meets the requirements for the Port's consent. The proposed use is consistent with the Lease; the Sublease is made subject to the terms of the Lease; the term of the Sublease does not extend beyond the term of the Lease nor beyond 10 years; the Port has not exercised its expansion option on this space; the Subtenant is required to indemnify the Port and to provide insurance naming the Port as an additional insured; and the Sublease does not affect AMB's continuing liability as the primary tenant under the Lease.

RECOMMENDATION:

Port staff recommends that the Sublease between AMB Property, L.P. and Venture Law Group, a Professional Corporation, dated September 28, 2000, for sublease of 27,359 square feet of general office space at Pier 1 be approved.

Prepared by: Jennifer Sobol
Pier 1 Development Project Coordinator

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-83

WHEREAS, Charter Section B 3.581 empowers the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port jurisdiction; and

WHEREAS, on August 2, 1999 Port entered into a 50-year lease ("Lease") with AMB Property, L.P. ("AMB"), for lease of Pier 1; and

WHEREAS, AMB proposes to sublease space to Venture Law Group, a Professional Corporation, and has requested Port's consent to the proposed sublease ("Sublease") for general office purposes. The terms are as set forth in the Memorandum to the Port Commission for October 25, 2000; and

WHEREAS, the Lease provides that the Port may not withhold its consent unless it determines that the proposed use would be inconsistent with the Lease, or the Sublease fails to meet the Port's reasonable conditions; and

WHEREAS, Port may condition its consent on (1) the use being consistent with the Lease, (2) that the Sublease is subject to the terms of the Lease, (3) that the term of the Sublease does not extend beyond the term of the Lease or beyond 10 years, (4) that AMB remains liable under the Lease, (5) that the subtenant provides adequate insurance and indemnification of Port; and (6) that Port has not exercised its expansion option on the space; and

WHEREAS, Port staff has reviewed the subject Sublease and found that it meets all of the requirements for the Port's consent, and now, therefore, be it

RESOLVED, that the Port Commission hereby consents to the Sublease dated September 28, 2000 between AMB Property, L.P. and Venture Law Group, a Professional Corporation, for sublease of office space at Pier 1 and authorizes the Executive Director, in consultation with the City Attorney, to execute any further documents or take further actions as are necessary to implement the approved Sublease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 1, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

October 25, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Pius Lee
Hon. Denise McCarthy

FROM: Douglas Wong
Executive Director

SUBJECT: APPROVAL OF THE 20 YEAR LEASE WITH PACIFIC MARINE YACHT CHARTERS AT PIER 9 (BROADWAY AT THE EMBARCADERO) WITH SUPPLEMENTAL PROVISIONS

DIRECTOR'S RECOMMENDATION: APPROVE THE 20-YEAR LEASE No. L-12938 WITH PACIFIC MARINE YACHT CHARTERS AT PIER 9 (BROADWAY AT THE EMBARCADERO) WITH THE SUPPLEMENTAL PROVISIONS DESCRIBED IN THIS MEMORANDUM

On July 21, 2000, the San Francisco Port Commission approved a twenty (20) year lease with Pacific Marine Yachts for a portion of Pier 9 to conduct its dining and excursion yacht business. The term of the lease is for 20 years commencing no later than May 1, 2001.

Since the Port Commission approval, the parties did not execute the Lease because they identified certain issues related to the conditions of the premises that had not been addressed by the lease terms approved by the Port Commission. Port staff and Pacific Marine Yachts have negotiated additional terms for the lease to address these issues. Because the additional terms are material, the lease, as modified, requires Port Commission approval. Pacific Marine Yachts has agreed to all of these revised terms and has now executed the lease with the proposed modifications.

In negotiations with the Port, Tenant had agreed to the maintenance, repairs and/or replacements of the Pier 9 fendering systems and the surface of the Pier 9 Apron. However, the lease previously approved by the Port Commission did not address the issue of which party would assume the cost of maintenance, repairs or replacement of the substructure and pilings beneath the portion of the Pier 9 Apron.

The lease approved by the Port Commission included certain rent credits for pier and shed improvements benefiting the Port up to a total of $620,000.00. However, those rent credits did not address the condition of the substructure and pilings, which the Port has determined to require significant repair. As the Port has done with other similarly situated maritime tenants (e.g. the recent Hornblower lease), additional lease terms have been negotiated that allow the tenant an additional rent credit for Tenant's Certified Construction Costs for Tenant's maintenance, repairs or replacement of the substructure and pilings beneath the portion of the Pier 9 Apron. The cost of these repairs is estimated to be approximately $850,000.00. Tenant will bid out the work to at least three duly licensed contractors having experience in pier substructure repair. Tenant will submit all bids to Port for its review prior to award of the contract, and will award the contract to the contractor having the lowest responsive bid. In no event may the total value of any Rent Credits applied during the Term hereof pursuant to this Section 42 be greater than One Million Dollars ($1,000,000.00) without the approval of the San Francisco Port Commission's which approval may be granted or denied in the Port Commission's sole and absolute discretion.

Exclusive berthing rights have been revised to reflect the total length of estimated future vessel lengths over the term of the lease from 60,000 sq.ft. to 115,000 sq.ft. of water area adjacent and continuous to the premises.

Additionally, a section has been added that offers Tenant a one time right of first offer with respect to the premises at Pier 9 adjacent and contiguous to their lease premises currently occupied by Bay World Trading.

The Lease also contains a clause incorporating the Equal Opportunity Program, where tenant has committed to affording opportunities for minority-owned enterprises, women-owned enterprises, and economically disadvantaged local businesses to participate in the construction and design of the premises and berthing improvements and repairs.

Prepared by: Jill J. Simpson, Maritime Marketing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-84

WHEREAS, the San Francisco Port Commission approved Lease No. L-12938 at its meeting of July 25, 2000; and

WHEREAS, subsequent to the July 25, 2000 meeting, additional lease terms have been negotiated to include an additional rent credit up to $1,000,000 for Tenant's maintenance, repairs or replacement of the substructure and pilings beneath the Pier 9 Apron, to reflect an increase in berthing area to 115,00 sq.ft. of water area, and to include Right of First Offer for Contiguous Space; and be it further and to; and

WHEREAS, the City Attorney has determined that such additional terms require Port Commission approval; now therefor, be it

RESOLVED, that the Port Commission hereby approves Lease No. L-12938 on all of the terms and conditions contained therein and as outlined in the Memorandum to the Port Commission for Agenda Item 6B of the Port Commission meeting of July 25, 2000, as supplemented by the Memorandum to the Port Commission for Agenda Item5A of the Port Commission meeting of November 1, 2000, in substantially such form of Lease No. L-12938 on file with the Port Commission Secretary; and be it further

RESOLVED, that the Port Commission authorizes and directs the Port Executive Director to enter into any additions, amendments or other modifications to Lease No. L-12938 (including, without limitation, preparation and attachment of or changes to any or all of the exhibits to said Leases) that the Executive Director, in consultation with the City Attorney, determines are in the best interests of the Port and are necessary or advisable to complete the transactions which the Leases contemplate and effectuate the purpose and intent to this resolution, such determination to be conclusively evidenced by the execution and delivery by the Executive Director of said Leases and any such amendments thereto.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 1, 2000

_____

Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

October 25, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to enter into a contract with the consultant team led by Economics & Planning Systems, Inc. to assist with negotiating the development agreement and lease and to assist with project review for the Bryant Street Pier Project.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ENTER INTO CONTRACT WITH THE CONSULTANT TEAM LED BY ECONOMICS & PLANNING SYSTEMS, INC.

BACKGROUND

Request for Proposals for the Bryant Street Pier Project

On May 25, 1999, the Port Commission approved Resolution No. 99-36, authorizing Port staff to issue an RFQ/P for the design and development of the Bryant Street Pier Project, including the James R. Herman Cruise Terminal, on Pier 30-32 and Seawall Lot 330 (the "Project"). On January 20, 2000, after an extensive review and evaluation of qualifications and proposals received, the Port Commission approved Resolution No. 00-03, authorizing Port Staff to enter into exclusive negotiations with San Francisco Cruise Terminal LLC (the "Developer") for the Project.

As required in the RFQ/P, the Developer's proposal includes the required cruise terminal facilities, as well as a mix of uses to activate the Pier on a year-round basis. Non-cruise Pier uses proposed by the Developer include office, an arts screen cinema, a live music venue, public access and open space, preserving Red's Java House, retail and entertainment, boat docks for excursion and visiting boats, among other uses. Seawall Lot uses being considered by the Developer include hotel and/or residential.

Over the past months, the Developer has been conducting various due diligence studies for the Project, and the Port and SFCT have been conducting a series of outreach and information meetings for various community organizations, user groups and regulatory authorities. The Port expects that lease and development agreement negotiations and the regulatory approval process (more specifically the environmental review process) will begin in earnest this Fall and continue through 2001, during which time the Project and transaction agreements will continue to be refined.

Consultant Request for Qualifications

On September 17, 1999, Port staff issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects ("Consultant RFQ"). The purpose of this Consultant RFQ was to create a list of Qualified Consultant Teams from which the Port could solicit proposals for planning and development consulting services. Each consultant team had to be led by a real estate economics consulting firm ("Lead Consultant"), and could include sub-consultants. Pursuant to San Francisco Administrative Code Section 12D, sub-consultant participation goals of 15% for Minority Business Enterprises (MBEs) and 5% for Woman Business Enterprises (WBEs) were established for the total contract dollars expended by the Port through this Consultant RFQ process.

Responses to the Consultant RFQ were received from the following six consultant teams (listed alphabetically by the Lead Consultant):

- Bay Area Economics
- Economic & Planning Systems, Inc.
- Economic Research Associates
- Hausrath Economics
- Keyser Marston Associates, Inc.
- Sedway Group

Port staff determined that all six consultant teams met the Minimum Qualifications indicated in the Consultant RFQ, and all six responding consultant teams were placed on the list of Qualified Consultant Teams from which the Port can solicit proposals for specific consulting contracts.

Consultant Request for Proposals

In the Consultant RFQ process, only 4 of the 6 teams indicated that they wished to be considered for the Bryant Street Pier Project: Bay Area Economics ("BAE"), Economic & Planning Systems ("EPS"), Economic Research Associates ("ERA") and Keyser Marston Associates ("KMA"). Because both ERA and KMA have or are currently providing consultant services to the Developer for this Project they have not been offered an opportunity to submit a proposal for consultant services to the Port for this Project.

On September 15, 2000, Port staff requested proposals from BAE and EPS to assist the Port on an as-needed basis during its analysis of the Project as proposed by the Developer, and throughout the negotiation of the lease and development agreement. The majority of the work is anticipated to include analyses and recommendations regarding the functionality of the Cruise Terminal, alternative financing plans and strategies, and lease and development strategies and terms, and may include the following:

1. Conduct and evaluate proforma and other financial analyses for cruise terminal and mixed-use development alternatives, including analyses of cost estimates and revenue projections, alternative financing strategies and plans, market analyses and projections, etc.

2. Analyze proposed lease and development structure and terms, including financial terms and management and operations responsibilities; Assist the Port to prepare for and, if appropriate, attend negotiating sessions with Developer, to help the Port achieve the most favorable financial, management and operations terms for the Project.

3. Evaluate the design concepts for the cruise terminal development, including relationship to integrated and adjacent mixed-use development, functionality of the cruise terminal, programming for non-cruise events, etc., including ability to meet current and future cruise business projections in light of industry trends and San Francisco's unique cruise market.

4. Analyze the functionality of mooring options for cruise ships at the Pier, including analysis of dredge and fill requirements for each option.

5. Evaluate the adequacy of Developer's proposed infrastructure for the cruise terminal including fendering, utilities, baggage handling systems etc., to support existing and future cruise industry needs.

6. Evaluate space planning and programming for cruise terminal operations including vehicular and passenger handling and flow, baggage and storage areas, intermodal connections, customs, security and circulation.

7. Evaluate options for ensuring public access and bon voyage areas that are consistent with terminal security, U.S. customs, BCDC and other regulatory requirements.

8. Analyze cruise terminal and overall project parking demand, evaluate proposed parking plan and, if necessary, propose alternative parking solutions.

9. Identify and/or evaluate viable options for programming the cruise terminal areas (indoors and outdoors) for alternative uses throughout the year.

10. Assist the Port in the analysis and/or development of management, marketing and operations plans for the Cruise Terminal.

11. Produce written reports and attend project meetings and Port Commission meetings, as requested by the Port.

Respondents were asked to indicate in their proposals:

1. Their approach to providing consulting services.
2. Their previous experience with similar projects.
3. The fee proposal.
4. Their compliance with certain City requirements.
5. Their compliance with Human Rights Commission requirements.
6. A conflict of interest statement.

The evaluation criteria indicated in the Consultant RFQ consisted of:

1. Approach to providing consulting services (35%)

    a) Clarity and completeness of the summary of the main points of your proposal, list of firms on the Consulting Team, and organizational chart;

    b) The appropriateness and completeness of the services and specific role to be provided by each Consulting Team member;

    c) The appropriateness and completeness of the methods and analysis proposed for accomplishing tasks by each team member;

    d) How well the proposed time for performing the types of tasks discussed in this RFP corresponds to the overall project timeline;

    e) Level of understanding and appropriateness of the services and expected tasks to be performed based upon your description of how you will evaluate project feasibility;

    f) Level of understanding and appropriateness of the services and expected tasks to be performed based upon your description of how you would assist the Port in the analysis and negotiation of various lease or development agreement terms and proposed lease payments and financing plans for the Project;

    g) Level of understanding and appropriateness of the services and expected tasks to be performed based upon your description of how you will evaluate financial feasibility; and,

    h) Level of understanding and appropriateness of the services and expected tasks to be performed based upon your descriptions of how you will evaluate the cruise terminal design and operations;

    i) Level of understanding and appropriateness of any suggested additions or changes to the tasks to be performed;

2. Experience of Lead Consultant, Sub-Consultants and Assigned Project Staff (45%)

a) Level of technical expertise in the fields necessary to successfully complete the expected tasks;

b) Success of similar projects, including adherence to schedules, deadlines, and budget;

c) Amount of experience with relevant waterfront and other mixed use and cruise terminal projects;

d) Amount and degree of relevance of recent experience of staff assigned to perform expected tasks; and,

e) Results of any reference checks.

3. Fee Proposal (20%)

Rating bonuses were indicated to be in effect pursuant to Chapter 12D of the San Francisco Administrative Code.

Responses to the Consultant RFP were received from BAE and EPS. The table below indicates the major members of these two consultant teams, their fee proposal, the project managers, and whether the Lead Consultant is a MBE or WBE.

Lead Consultant:	**Bay Area Economics** Market and Financial Analysis Development Feasibility Negotiation Support	**EPS** Market and Financial Analysis Development Feasibility Negotiation support
Sub-Consultants:	Heller Manus and EDAW: Urban Design BrunoElias: Cruise Terminal Design andOperations Pittman &Hames:ParkingandTransportation	KenKay Associates:Urban Design CSG Advisors: Finance Seifel Associates: Tax Increment Finance Olivia Chen Consulting: Engineering Frederich R. Harris and Tectonics: Cruise Terminal Design & Operations Pittman & Hames: Parking and Transportation
Fee Proposal	See attached fee schedule	See attached fee schedule
Project Manager(s)	Janet Smith-Heimer (Principal) and Jonathan Stern (Senior Associate)	Jim Musbach (Managing Principal) and Richard Berkson (Principal)
Lead Consultant MBE or WBE:	Yes	No

EVALUATION OF PROPOSALS AND RECOMMENDATION

The two proposals submitted by BAE and EPS in response to the Consultant RFP were evaluated by Port staff using the evaluation criteria indicated in the Consultant RFP. The

consultant team led by EPS received the highest overall score from Port staff, both before and after applying rating bonuses pursuant to Chapter 12D of the San Francisco Administrative Code.

Port staff therefore recommends that the Port Commission authorize Port staff to enter into a contract with the consultant team lead by EPS for the consulting services and the contract parameters indicated above in this Memorandum. Prior to commencing work, a contract will be established for this work, which shall not exceed the delegated authority of the Executive Director without prior approval of the Port Commission. Funding for this consulting work would be from previously appropriated Port funds.

Prepared by: Anne Cook
Acting Director, Planning & Development

I:Amy Q/Bryant Street Pier Consultant Contract

IV. Fee Proposal

The following table provides the current hourly rates for BAE Consultant Team members:

Bay Area Economics	
Principal	$175/hr.
Senior Associate	$125/hr.
Associate	$85/hr.
Analyst	$65/hr.
Bruno-Elias	
Principal	$ 150/hr
Project Manager	$ 125/hr
Sr. Engineer	$ 110/hr
Engineer	$ 85/hr
Architect	$ 85/hr
EDAW	
Principals	$185 - $250/hr.
Senior Associates	$100 - $185/hr.
Associates	$70 - $110/hr.
Professional, Admin. & Word Pro.	$35 - $85
Heller Manus	
Senior Principal	$185/hr
Principal	$130/hr
Associate Principal	$110/hr
Senior Associate	$110/hr
Associate	$105/hr
Senior Project Architect	$100/hr
Architect	$85/hr
Terranomics	
Sr. Vice President	$ 195/hr.
Senior Retail Specialist	$ 175/hr.
Pittman & Hames Associates	
Principal/Senior Project Manager	$105 - $125/hr.
Project Manager/Senior Planner	$60 - $85/hr.
Project Planner	$50 - $60/hr.
Technical Support	$40 - $50/hr.

Economic &
Planning Systems

Public Finance
Real Estate Economics
Regional Economics
Land Use Policy

Staff Hourly Billing Rates

Managing Principals	
Walter Kieser	$190
James Musbach	190
Tim Youmans	190
Principals	
Richard Berkson	160
David Zehnder	160
Joe Chinn	160
Vice Presidents	
Dan Guimond	130
Paul Woods	130
Russell Powell	120
Jason Moody	110
Senior Associates	
James Edison	105
Georgette Lorenzen	105
Jamie Gomes	100
Catherine James	100
Jeannette Lesjak	100
Kate Rosenlieb	100
Darin Smith	100
Teifion Rice-Evans	95
Senior Technical Associates	
Allison Shaffer	100
Edward Sullivan	95
Associates	
Nicole Brown	90
Jennifer Ott	90
Eve Stewart	90
Nicole Monroe Layman	75
Research Assistants	
Elena España	65
Todd Lieberman	65
Shawn Spencer	55
Heather Ross	55
Laura Williams	55
Support Staff	50

Rates are effective as of September 2000.

BERKELEY
2501 Ninth Street, Suite 200
Berkeley, CA 94710-2515
phone: 510-841-9190
fax: 510-841-9208

SACRAMENTO
phone: 916-649-8010
fax: 916-649-2070

DENVER
phone: 303-575-8112

CSG ADVISORS
INCORPORATED

1 Post Street, Suite 2130
San Francisco, CA 94104
Telephone: (415) 956-2454
Facsimile: (415) 956-2875

Fee Schedule

Port of San Francisco
Request for Qualifications
October 18, 1999

Hourly fee quotation for all consulting services, including General Services and Current Projects:

Gene Slater	$185
Bob Cornwell	$160
Chris Gouig	$160
Carrie Hamilton	$80

These fees are to remain fixed during the entire contract period, including any option periods, except for annual cost of living increases.

Hourly fees for public meetings and presentations are the same as the above.

Seifel Associates
Fall 2000 Billing Rates

The following Standard Billing Rates are effective as of the date of the contract. Billing rates are subject to annual revision.

Hourly Rates

Seifel Associates bills monthly for time and materials expended during the previous month. The following hourly rates will be charged for work:

Elizabeth Seifel, President	$180
Senior Consultant	$140
Consultant	$100
Document Processing	$60

Testimony as expert witness at court trials, administrative hearings, and depositions will be billed at 150 percent of the above rates.

Expenses

Seifel Associates expenses are billed as follows:

- Telephone charges are billed based on a fixed amount computed at 2 percent of billed professional services.
- Automobile mileage charges are 32.5 cents per mile.
- Photocopying/report reproduction charges are 10 cents per page, except for bulk reproduction of reports, which are charged on a direct reimbursable basis.
- All remaining expenses are billed on a direct reimbursable basis with receipts above $20 provided as evidence upon request.
- Delivery services other than by first class United States mail at cost.
- Per diem is charged at $113.00/day. A lodging surcharge may apply in high-rate areas.

Upon client approval, where Seifel Associates is managing numerous subcontractors, a contract administrative charge of 10 percent will be applied to all subcontractor invoices.

Payment Terms

Prompt payment of all invoices is expected. If payment is not received within 30 days, Seifel Associates would discontinue work on current and any future assignments. Should legal action be required to secure payment, all legal fees related to collection of funds would be the responsibility of the client. In the event that payment is not received within 30 days of invoice date, a delinquency charge of 1.5 percent per month would be levied, unless an alternative payment schedule is mutually agreed upon. This is an annual percentage rate (APR) of 19.6 percent.

Seifel Associates
220 Montgomery Street Suite 448
San Francisco CA 94104
415.989.1244 ▪ www.seifel.com

K E N K A Y
A S S O C I A T E S

Landscape Architecture
Urban Design
Environmental Planning

1045 Sansome Street
Studio 321
San Francisco
California 94111
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(415) 956-4522 Fax
www.kenkaysf.com

Date: September 27, 2000

Project Name: Bryant Street Pier Project

SCHEDULE OF CHARGES
Effective through January, 2001

Personnel	*Billing Rate per Hour*
Principals:	
Kenneth J. Kay	$200.00
Senior Associates:	$140.00
Craig R. T. Heckman	
Joe DeCredico	
Associates	$ 100.00
Professional Staff	$ 90.00
Draftsperson	$ 65.00
Administrative Support	$ 40.00

Reimbursable Expenses

Reproductions, photography, models, long distance telephone calls, and other reimbursable direct expenses will be charged at cost plus 15%.

Consultants will be charged at cost, plus 15%.

Travel:	Company vehicle	$.32 per mile
	Auto rental	Cost
	Airfare	Cost
Per Diem:		Actual out-of-pocket expenses for meals and lodging

CALCULATION OF CHARGES

1. Personnel Billing Rates

Principal/Principal Engineer	$160.00/hour
Project Manager/Supervising Engineer	$135.00 - 150.00/hour
Project Engineer/Senior Engineer	$115.00 - 125.00/hour
Staff Engineer	$80.00 - 105.00/hour
Certified Field Technician	$70.00 - 85.00/hour
Field Technician/Engineering Aid	$65.00/hour
CADD Drafter	$75.00 - 85.00/hour
Word Processor	$58.00/hour
Administration/Clerical	$58.00/hour
Contract Administration	$80.00/hour

Note: Overtime rates for technician and support services working in excess of 8 hours per day, or 40 hours per week, are 1.5 times the regular hour rates. All overtime for professional services is billed at regular rate.

2. Overhead Rates

	HOME OFFICE	FIELD OFFICE
Fringe Benefits:		
Paid Time Off	17.12%	17.12%
Payroll Taxes	10.83%	10.83%
Workers Compensation	1.29%	1.29%
Group Health Insurance	6.05%	6.05%
Pension	10.45%	10.45%
Performance Compensation	2.98%	2.98%
	48.72%	48.72%
Operating Expenses:		
Indirect Labor/Administration	30.77%	30.77%
Education/Conferences	1.37%	1.37%
Proposals, Interviews, Contract Negotiations	22.56%	22.56%
Other Employee Expenses:	2.20%	2.20%
Travel	4.71%	4.71%
Office Supplies	3.09%	0%
Other Office Expenses	4.98%	0%
Field Supplies	0.00%	0%
Reference Material	0.06%	0%
Equipment & Maintenance	0.92%	0%
Computer Expenses	3.22%	0%
Rent	15.82%	0%

HARRIS

Billing Rates

Richard Heidrich, RA	$152.00/hr
Don Imbriale	$120.00/hr
Project Manager	$120.00/hr
Senior Engineer	$106.00/hr
Engineer	$90.00/hr
CADD Technician	$65.00/hr
Clerical	$45.00/hr

Proposed Hourly Charge Rates

1 October 2000 through 30 September 2001

Staff Category	*Hourly Rates*
Principal Architect	$117.00
Architect	$92.50

PITTMAN & HAMES ASSOCIATES

PROFESSIONAL FEE SCHEDULE

(Through December 31, 2000)

- This list contains typical charges for consulting services provided on an hourly basis.
- Statements will be submitted on a monthly basis, absent any specific arrangements made in advance.
- This fee schedule is effective until the date stated above.
- Labor rates are full burdened.

PER HOUR RATES

Donna Pittman/Lillian Hames Principal/Senior Project Manager	$105 -$125/hour
Val Menotti Project Manager/Senior Planner	$60 - 85/hour
Liisa Ecola Project Planner	$50 - 60/hour
Technical/Support	$40 - 50/hour

Materials
All supplies, copies, and report materials are at cost, plus 5%.

Transportation
Transit passes are at cost. Automobile transportation is at $0.32 per mile. Air travel, parking and tolls are at cost, plus 5%.

Miscellaneous Costs
Additional services such as deliveries, telephone calls, courier, express mail delivery etc. are at cost, plus 5%.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00 - 81

WHEREAS, In June 1997, the Commission adopted Resolution 97-50 adopting findings pursuant to the California Environmental Quality Act, and adopting the Waterfront Land Use Plan, including the Waterfront Design & Access element; and

WHEREAS, On May 25, 1999 the Port Commission adopted Resolution No 99-36 authorizing Port staff to issue a request for qualifications and proposals ("RFQ/P") for design and development of a first-class "James R. Herman International Cruise Terminal" and mixed-use development at Piers 30-32 and Seawall Lot 330 (together, the "Bryant Street Pier Project"); and

WHEREAS, On June 4, 1999, the Port issued an RFQ/P to design and develop the Bryant Street Pier Project, and

WHEREAS, On October 28,1999, LCOR San Francisco and San Francisco Cruise Terminal LLC ("SFCT") submitted proposals for the Bryant Street Pier Project; and

WHEREAS, On January 7, 2000, the Port Commission adopted Resolution 00-03, authorizing the Executive Director of the Port, or his designee, to execute an Exclusive Right to Negotiate agreement with SFCT, incorporating the economic parameters outlined in the January 7, 2000 Memorandum for Agenda Item 8A for the January 11, 2000 Port Commission hearing, with the understanding that the final terms and conditions of the Lease and related documents negotiated between SFCT and Port staff during the Exclusive Negotiation Period will be subject to the approval of the Port Commission; and

WHEREAS, Port staff on September 17, 1999 issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects, including Pier 45 Shed A ("Consultant RFQ"), and Port staff, with the assistance of representatives of the Human Rights Commission, undertook good faith efforts to ensure that disadvantaged minority and woman owned business enterprises were given an opportunity to submit a proposal or participate on a consultant team as a sub-consultant; and

WHEREAS, Responses to this Consultant RFQ were received from six consultant teams, all of which were determined by Port staff to met the Minimum Qualifications indicated in the Consultant RFQ, and all six consultant teams were placed on the list of Qualified Consultant Teams from which the Port could solicit proposals for specific consulting contracts; and

WHEREAS, Port staff on September 15, 2000 requested proposals from two Qualified Consultant Teams to assist the Port with negotiating the development agreement and lease for the Project and to assist with Project review; and

WHEREAS, Responses to this Consultant RFP were received from two consultant teams, led by Bay Area Economics ("BAE"), and Economics and Planning Systems, Inc ("EPS"); and

WHEREAS, Port staff evaluated the proposals submitted by BAE and EPS using the evaluation criteria indicated in the Consultant RFP, and rated the proposal submitted by the consultant team led by EPS higher than that submitted by the consultant team led by BAE; therefore, now be it

RESOLVED, That the Port Commission hereby authorizes and directs the Executive Director of the Port, or his designee, to enter into a contract with EPS for the consulting services indicated in the Memorandum for Agenda Item No. 6A for the November 1, 2000 Port Commission meeting.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 1, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

October 27, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Resolution directing Port staff to include at least 150,000 square feet of arts, non-profit space in the Request for Proposal(s) for the Pier 70 Opportunity Area.

DIRECTOR'S RECOMENDATION: Approve resolution.

The Port's *Waterfront Land Use Plan* designates a 16-acre portion of Pier 70 (the "Opportunity Area") where future non-maritime uses will be permitted. The Opportunity Area is between 18th and 21st Streets and is adjacent to the ship repair operations of the San Francisco Drydock, Inc. The Waterfront Plan promotes non-maritime uses for the Opportunity Area to facilitate the preservation and renovation of the historic structures and to allow for increased public access to the waterfront. The allowable uses designated in the Plan include assembly and entertainment, general office, industrial, museums, open space, retail, recreational and community facilities, warehousing, academic institutions; as well as additional maritime uses.

In March 2000, the Port established the Pier 70 Advisory Group to provide input on the development goals and objectives prior to issuance of a Request for Proposal(s) (RFP) for development of the site. The Advisory Group has met nine times and has finalized their recommended goals and objectives, which include the development of space for non-profit, arts uses. Specifically the Advisory Group has recommended the following objectives related to non-profits, arts space: "Provide space in development for non-profit, arts, training and/or incubator uses," and "Development of space for use by local non-profits in an amount up to 10% of newly created commercial space." Other development goals and objectives to be recommended by the Advisory Group include the renovation of historic buildings, development of additional open space, and compatibility with existing and future maritime uses.

On October 3, 2000, Mayor Willie L. Brown announced a strategy to help arts, non-profits groups remain in San Francisco. As part of the strategy, Mayor Brown requested that the Port explore the inclusion of at least 150,000 square feet of non-profit, arts space in the future development of Pier 70. The Port has provided technical information and tours of Pier 70 for representatives of the Partnership for Affordable Non-Profit Space, a coalition established by the Mayor's Office of Community Development to assist the non-profit community.

In consultation with the Pier 70 Advisory Group and our economic consultants for the project, Port staff are analyzing alternatives for including at least 150,000 square feet of non-profit, arts space in the future development of Pier 70, including the issuance of a non-profit RFP for a portion of the Pier 70 Opportunity Area. Port staff expects to recommend issuance to the Port Commission of the Pier 70 Opportunity Area RFP(s), including a non-profit component, in December, 2000.

Prepared by: Richard Hillis
Planning & Development Division

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-85

WHEREAS, The Port's *Waterfront Land Use Plan* designates a 16-acre portion of Pier 70 (the "Opportunity Area"), between 18th and 21st Streets, where future non-maritime uses will be permitted; and

WHEREAS, The Port's *Waterfront Land Use Plan* further designates allowable uses for the Opportunity Area which include assembly and entertainment, general office, industrial, museums, open space, retail, recreational and community facilities, warehousing, academic institutions; as well as additional maritime uses; and

WHEREAS, The Port established, in March 2000, the Pier 70 Advisory Group to provide input on the development goals and objectives for the Opportunity Area prior to issuance of a Request for Proposal(s); and

WHEREAS, The Pier 70 Advisory Group has convened nine meetings to develop recommendations for the development of the Opportunity Area, and have recommended that a portion of the development site be used to assist non-profit, arts uses that are in need of additional space in San Francisco; and

WHEREAS, The Mayor's Office has commissioned a study of non-profit space needs in the City, which found that nearly 1 million square feet of non-profit space could be at risk over the next three years; and

WHEREAS, The Mayor's Office has developed a strategy to help arts, non-profit groups remain in San Francisco, and as part of this strategy, the Mayor's Office is requesting the Port to explore the development of at least 150,000 square feet of non-profit, arts space at the Pier 70 Opportunity Area; and

WHEREAS, Port staff are in the process of developing the Request for Proposal(s) for Pier 70 Opportunity Area; now therefore be it

RESOLVED, That the Port Commission directs the Port staff to seek the inclusion of at least 150,000 square feet of non-profit, arts space in the development of the Pier 70 Opportunity Area.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 1, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
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MEMORANDUM

October 25, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Denise McCarthy, President
Hon. Kimberly Brandon, Vice President
Hon. Michael Hardeman
Hon. Brian McWilliams
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to enter into a contract with Decision Support Technologies to purchase software licenses and consulting services to implement their Property Management & Billing software.

DIRECTOR'S RECOMMENDATION: Authorize staff to negotiate and enter into contract with Decision Support Technologies for a price not to exceed $412,720.

On July 11, 2000 the Port Commission, by Resolution No. 00-57, granted staff authorization to issue a Request for Proposals (RFP) to software vendors to provide the Port with software to meet its needs for billing and property management in support of the needs of the Real-Estate and Maritime divisions.

SUMMARY

The RFP for this software product was distributed on July 24, 2000 to vendors who had been identified through an intensive search on the internet, MBE/WBE notifications, advertisements in minority newspapers, and trade publications. An evaluation team was assembled consisting of two representatives from Real-Estate, one representative from Maritime, two representatives from Accounting, and two representatives from Information Systems. Four proposals were submitted. The team evaluated the four proposals and selected two vendors to come on-site to discuss their proposals and demonstrate their software. This process was concluded on October 19, 2000 and resulted in a unanimous vote by the evaluation team in favor of a product called PROPworks from Decision Support Technologies.

This Print Covers Calendar Item No. 7A

BACKGROUND

The Information Systems Group at the Port of San Francisco has performed a detailed analysis of its needs with respect to the Port's billing and property management business processes and supporting information systems. Currently, these processes are being supported by an outdated, technically obsolete, and inefficient software system that resides on the Advanced Revelations (AREV) technology platform. This system was designed and implemented over a decade ago. Not only is it far from meeting the current functional needs of the Port, but the technology is so old that no one on the IS staff (and few people in the larger labor market) is knowledgeable on its inner-workings. Therefore, maintenance of the system is very difficult to provide, and enhancement of the system is unthinkable.

The Port needs to be able to effectively manage the revenue stream originating from its billing process. Characteristics of an effective system would not only include billing functionality to meet its diverse billing needs, but also flexible reporting and data extraction capabilities, seamless interaction with other systems, and providing a technological foundation that could meet future billing requirements such as Electronic Data Interchange (EDI) and e-Commerce.

The Port's property management needs have not adequately been met with this older system. The Port requires a system that can meet its diverse property, asset, and revenue management requirements.

EVALUATION

The evaluation of the proposals resulting from our RFP were evaluated by a team representing the Real-Estate, Maritime, Accounting, and Information Systems functions. The evaluation was performed in accordance with the guidelines noted within the RFP. Additional detail regarding the evaluation process is available upon request.

Scoring

Each person on the evaluation team scored each of the RFP's ten criteria on a scale of 1 to 5. 5 being best. The scores were then calculated to determine the final scores. The final scores were in the range of 0 - 500, with 500 representing a perfect score.

Phase I Evaluations

The Port received four responses from the RFP. The summary results of the evaluation are shown below:

Vendor	Score
Cobra Solutions	177
Decision Support Technologies	359
Synertech Systems	256
Yardi Systems	246

Phase II Evaluations

As a result of the Phase I evaluations the two vendors who scored the highest (Decision Support Technologies and Synertech Systems) were invited to meet with the evaluation team on-site to further discuss their proposals and demonstrate their software. The team evaluated the vendors for phase II and the results are shown below:

Vendor	Score
Decision Support Technologies	439
Synertech Systems	228

As a result of the phase II evaluations the Port staff has determined that the software from Decision Support Technologies is the most responsive to the criteria stated within the RFP. A credit check was performed regarding the vendor. Reference checks have been performed regarding both the vendor and the software product. Neither the credit check nor the reference checks discovered any significant issues.

COST ESTIMATE & CONTRACT SUM

Prior to the RFP process several vendors were contacted to determine an estimate for software that would meet the Port's needs. These informal conversations resulted in an estimate of approximately $100,000. However, the proposals that were submitted in response to our RFP ranged in price from $275,550 - $1,760,000.

The cost estimate for implementing Decision Support Technologies PROPworks software is as follows:

Software Licenses	$ 185,000
Software Maintenance Agreement	$ 37,000
Implementation Consulting Services	$ 118,200
Oracle Licenses	$ 15,000
Additional Required Hardware	$ 20,000
Estimated Costs	$ 375,200
10% Contingency	$ 37,520
Total	**$ 412,720**

CONCLUSION

As a result of the staff's RFP process, the evaluation team has identified Decision Support Technologies as the most responsive and qualified software vendor under the criteria set forth by the RFP. This vendor has provided the staff with a cost estimate of $340,200 to satisfy the Port's current needs. The staff has estimated that an additional $35,000 in software and hardware is required to support this project.

Therefore, the staff seeks Port Commission approval to negotiate and enter into a contract with Decision Support technologies for the PROPworks software product for the not-too-exceed sum of $412,700 which represents the current contract estimate of $375,200 plus 10% ($37,500) for additional contingencies that may arise during implementation. Funding for this project is available in this year's budget.

As approved by the San Francisco Administrative Code Section 21.30, the procurement of licensed software products, such as those recommended here, are exempt from the usual contracting requirements of the administrative code.

Prepared by Steve Martin, Business Applications Manager

CONCLUSION

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Therefore, the staff seeks Port Commission approval to negotiate and enter into a contract with Decision Support technologies for the PROPworks software product for the not-too-exceed sum of $412,700 which represents the current contract estimate of $375,200 plus 10% ($37,500) for additional contingencies that may arise during implementation. Funding for this project is available in this year's budget.

As approved by the San Francisco Administrative Code Section 21.30, the procurement of licensed software products, such as those recommended here, are exempt from the usual contracting requirements of the administrative code.

Prepared by Steve Martin, Business Applications Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-82

WHEREAS, Port staff has identified the need for a new Property Management and Billing System; and

WHEREAS, The Port Commission by Resolution No. 00-57 granted staff authorization to issue a Request for Proposals (RFP) to software vendors to provide the Port with software to meet its needs for billing and property management; and

WHEREAS, Port staff desires to purchase this software from a vendor who has already developed such a system; and

WHEREAS, In response to the Port's RFP, staff received proposals from four software vendors, among which staff found Decision Support Technologies to be the most responsive to the criteria stated in the RFP; and

WHEREAS, Decision Support Technologies has provided staff with a cost estimate of $340,200 for those services needed by the Port and staff has estimated an additional $35,000 for required supporting hardware and software; and

WHEREAS, Port staff requests authorization to enter into a contract with Decision Support Technologies to purchase software licenses and consulting services to implement their PROPworks software; now therefore, be it

RESOLVED, That the Commission hereby authorizes staff to enter into a contract with Decision Support Technologies to purchase software licenses and consulting services to implement their PROPworks software to provide the Port with a Property Management and Billing System at a not-to-exceed cost of $412,700, representing the contract estimate of $375,200 plus $37,500 for possible contingencies.

I hereby certify the foregoing resolution was adopted by the Port Commission at its meeting of November 1, 2000.

_____
Secretary

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SAN FRANCISCO PORT COMMISSION

NOVEMBER 1, 2000
MINUTES OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
NOVEMBER 1, 2000

1. ROLL CALL

Commission Vice President Brian McWilliams called the meeting to order at 3:10 p.m. The following Commissioners were present: Brian McWilliams, Denise McCarthy and Michael Hardeman. Commissioner Lee was not present. Commissioner Kimberly Brandon arrived at 4 p.m.

2. APPROVAL OF MINUTES - October 10, 2000 Special Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. The minutes of the October 10, 2000 Special Meeting were adopted.

3. EXECUTIVE

A. Resolution declaring that a memorial honoring the Bay Area Veterans of the Abraham Lincoln Brigade (VALB) should be placed in Harry Bridges Plaza. (Resolution No. 00-80)

Veronica Sanchez, Governmental Affairs Manager, presented the item and requested Commission's approval. The design of the memorial will be brought back to the Commission for its review and approval.

Supervisor Sue Bierman gave her support to the project and urged the Commission to pass the resolution.

Commissioner McWilliams introduced the following Abraham Lincoln Brigade Veterans: Bill Senate, Mark Billings, Nate Thornton, Hank Rubin, and Commander David Smith. He also introduced the VALB Associates: Hon Brown, Martha Olson Jarocki, Corine Thornton and Carol Berry.

Commander David Smith prepared and showed the Commission and the public a videotape regarding the Abraham Lincoln Brigade.

Commissioner McWilliams indicated it is a very appropriate setting and place and time to acknowledge the Abraham Lincoln Brigade veterans in a meaningful way particularly in the Harry Bridges Plaza in front of the Ferry Building where so many of them lived and worked and shared their experience of the world. There are 20 veterans in the extended Bay Area and 21 in the State of California that are still alive.

They paid a huge price for what they believe in. They were the first American troops in uniform that were integrated. The first American troops in uniform where African Americans were commanding officers of white troops. The first American troops were women wore battlefield uniforms. They fought overwhelming obstacles from both sides, carrying forward their commitment and passion for protecting freedom of democracy.

The veterans thanked the Port Commission for the honor.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 00-80 was approved.

B. Executive Director's Report: Mr. Ben Kutnick, Director of Finance & Administration indicated that the Commission was provided a copy of the Auditor's Financial Statement along with the comparative analysis of the Port's net income for FY 99/00 ($11.5 million) and 98/99 ($8.8 million).

C. Report on the AAPA Annual Convention in Veracruz, Mexico. Veronica Sanchez, Governmental Affairs Manager,

Veronica Sanchez, Governmental Affairs Manager, reported that members of Port staff led by Commissioner Brandon recently attended the 89th annual convention of the American Association of Port Authorities which was held in Veracruz, Mexico. The American Association of Port Authorities serves as the premiere industry organization for the Ports of Canada, the Caribbean, Latin America and the United States. Over 600 delegates representing virtually every Port in the America's was represented at this year's conference.

Valuable presentations and seminars on such important topics such as Financing Port Development, landside intermodal access and environmental challenges of Port development were held. The location of this year's conference was of particular importance this year since nearly 50% of San Francisco's trade volume comes from Mexico, Central and South America. Additionally, one of the key sponsors of this year's conference was Transportacion Maritima Mexicana (TMM), one the Port's shipping customers.

Commissioner Brandon indicated that the conference was a success and the opening ceremony was wonderful. The Governor of Veracruz also attended the ceremonies. She spent some time with Commissioners from the Port of Oakland and City Council Ignacio De La Fuente and discussed issues facing various Ports. She also had the pleasure of meeting Anthony Taormina who used to be the interim director at the Port of S.F. He is now the Port Director in Palm Beach.

4. CONSENT CALENDAR

A. Approval of a sublease between AMB Property L.P. and Venture Law Group, a Professional Corporation, for office space at Pier 1. (Resolution No. 00-83)

ACTION: Commissioner McCarthy moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. Resolution No. 00-83 was approved.

5. MARITIME

A. Approval of First Amendment to Lease No. L-12938 with Pacific Marine Dining Yachts. (Resolution No. 00-84)

Ms. Jill Simpson, Maritime Marketing Manager, presented the item and requested Commission's approval. Ms. Simpson added that the actual square footage of the water area is 105,000 sq. ft.

In response to Commissioner McCarthy's inquiry about the oversight of the items during the initial lease negotiations, Ms. Simpson replied that it was on an oversight by staff. While they were negotiating the lease, the substructure issue came up.

Commissioner McCarthy asked about the rent credits of $850,000. Ms. Simpson replied that the rent credit is for substructure work that the Port would normally do but this would make it more expedient. The Engineering Department has looked at this work and estimated that the replacement cost would be $120 per sq. ft., a total of in excess of $3 million.

Commissioner McCarthy asked about capping the rent credits at one million dollars. Ms. Simpson replied that if it goes over a million dollars, staff will seek Commission's approval before proceeding with the work.

Commissioner McCarthy asked about the term of the lease. Ms. Simpson replied that the tenant is given a 5-year window to make the repairs.

Commissioner Brandon asked about what percentage of the rent credits would be used. Ms. Simpson replied that the rent credits can exceed 50% of the percentage rents. It extends the lease for a few more years. Based on the Pacific Marine Yachts projected revenue, it would be paid off in eight years.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 00-84 was approved.

6. PLANNING & DEVELOPMENT

A. Authorization to enter into a contract with the consultant team led by Economics & Planning Systems, Inc. to assist with negotiating the development agreement and lease and to assist with project review for the Bryant Street Pier Project. (Resolution No. 00-81)

Ms. Anne Cook, Acting Director of Planning & Development, presented the item and requested Commission's approval.

Commissioner Brandon asked about the evaluation process. Ms. Cook replied that staff used an evaluation rating sheet according to the criteria established in the RFP. Commissioner Brandon indicated that it would be beneficial to the Commission to see a copy of the evaluation forms. She then asked Ms. Cook to summarize the evaluation process and how the decision was reached. Ms. Cook indicated that the lead consultants were similar. Staff also did an extensive reference check on both teams. The EPS team was slightly better since they have a more depth in their team. They include CSG Advisors who are advisors to our Finance Division. They also included Seifel & Associates who have a lot of redevelopment expertise. That gave the EPS team a slight edge over Bay Area Economics. Both of these teams have extensive experience and base reuse around the bay. EPS has done work on Hunters Point, Treasure Island and numerous other projects in the Bay Area. The main difference had to do with the maritime consultants. Staff did quite an extensive amount of reference check on both teams. Staff felt that EPS subconsultant, Frederich Harris, had a more type of experience that staff was looking for in this project. Most of the maritime consultants were based in Miami and they deal with an extensive amount of cruise and maritime consulting in Florida. In this case, Bay Area Economics subconsultant, Bruno Elias, tends to represent mostly cruise lines and deals with huge cruise terminal in Miami which is an entirely different project than at the Port. EPS subconsultant, Fred Harris, has worked as a Port consultant overseeing cruise projects. They are the Port's representatives in the negotiations and planning for the operations of the cruise terminal. This is a different role than the advisors who actually design the cruise terminal. For that reason, the maritime division felt more comfortable with the selection of Fred Harris than Bruno Elias.

In response to Commissioner Brandon's inquiry about the project cost, Ms. Cook replied that $120,000 is allotted in the capital plan for this project. This contract is for as-needed consultant services. Staff will negotiate with the consultant for particular set of services that the Port will need.

Commissioner Brandon asked if this would be a not-to-exceed amount. Legal Counsel Noreen Ambrose clarified that $120,000 is budgeted in the capital plan but for the purposes of the Controller's certification this is a not-to-exceed amount. Staff will seek Commission's approval if the contract amount would exceed $120,000. The contract amount could even be less depending upon how the analysis of the project proceeds.

ACTION: Commissioner McCarthy moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. Resolution No. 00-81 was approved.

B. Resolution directing Port staff to include at least 150,000 square feet of arts, non-profit space in the Request for Proposal(s) for the Pier 70 Opportunity Area. (Resolution No. 00-85)

Ms. Anne Cook, Acting Director of Planning & Development, presented the item and requested Commission's approval.

Ella King-Torrey, President of the San Francisco Art Institute, thanked the Commission for the vision in realizing that Pier 70 could be part of the solution. The building they envision will be 24/7 with artists and creators working round the clock to forge our culture of tomorrow. This project is a win-win situation for everybody. She urged the Commission to structure it in a way that the non-profit arts community can produce that win for the Port, for the arts and for San Francisco. The components of that success include: (1) a separate RFP for the arts so that they can compete and move forward most expeditiously; (2) a site within the opportunity area that can be developed immediately; and (3) the opportunity to control their project independently so the project is not subject to or conflicting or competing with concerns of another commercial or any other kind of entity. The Pier 70 cultural complex could proceed in a manner similar to and with equally successful results as SFMOMA. The Redevelopment Agency made land available to a non-profit organization, who in turn raised significant private funds to create an institution that has become a cultural beacon for the City, the region and the country at large. The Commission's support would assure similar success for the Pier 70 cultural complex and in doing so would assure the vitality of San Francisco's arts community for generations to come.

Toby Levine, co-chair of Pier 70 Advisory Committee, indicated that they have met with all interested parties about the development of the Pier 70 area. Besides meeting with the interested parties, they have also developed the land use objectives which will be brought to the Commission shortly. It is based on the Waterfront Land Use Plan and the know-how of the people in the neighborhood. The objectives are important in terms of the kind of development that they hope will occur in that area. The committee fully supports the arts opportunities that can be provided in that area but it must be carefully planted and carefully thought out. Ms. Levine recommended that the following phrase be added to the RESOLVED clause "... non-profit arts, and training or incubator uses in the development of the Pier 70 area." After the election, the committee will be discussing the arts space as well as the RFP.

Corinne Woods, member of the Pier 70 Advisory Committee, indicated that while the committee has a strong commitment to non-profits on Pier 70, there was never a discussion or mention of the specific project being planned at the Pier 70 opportunity area. If the Mayor's office is working with the San Francisco Arts Institute, they don't know about it. The Committee felt that if 150,000 s.f. of the opportunity area is taken up by one non-profit organization, it will be extremely difficult for any other non-profit to be part of that development. It is not just the arts groups that are suffering from rent crunch in San Francisco. The community groups, social services agencies, all kinds of non-profits are also having problems. She likes the idea of a separate RFP for non-profits. She also likes the idea of 150,000 s.f. of non-profit space but it has to be carefully thought out. The only place for a stand-alone building is in the southern part of the opportunity area. She concurred with Toby Levine's amendment to the resolution. If we are going to have 150,000 s.f. of non-profit arts space, she hoped that the RFP would allow for non-profit space that is not necessarily dedicated to arts to help alleviate the problem of the non-profit community.

Joe Bosch, Dog Patch Resident and member of Pier 70 Advisory Committee, indicated that they have incorporated language in the development goals and

objectives that stated that 10% of newly created commercial space would be made available at 50% market rate to non-profits. He requested that the Commission simply add the requirement that the development include 150,000 s.f. of non-profit arts facilities. In addition to the goal and 10% of any new development going to other non-profit, he suggested that the winning developer have the challenge of figuring out where it fits most economically, most feasibly and for the betterment of the project.

Jennifer Clary, San Francisco Tomorrow, was thrilled that the Port would like to increase the space for non-profits, which many members of the Pier 70 Advisory Group fought very hard for. She was glad that the Commission agrees that it is an important component of the development but asked the Commission to not restrict it to non-profit arts at this time. She concurred with the committee's recommended amendment to the resolution.

Susan Miller, Executive Director of New Langton Arts, representing thousands of poets, painters, sculptures, video artists, musicians and performers. She expressed their support for the development of a non-profit cultural center at the Pier 70 area. Langton is recognized internationally for its innovative ground breaking programs. Their future appears most promising in the Pier 70 area where they can rebuild a mecca for the arts and cultural history of San Francisco for its residents, businesses and visitors. It is no coincidence that the creative arm of the high tech industry seeks opportunities in San Francisco for the history of renovation, arts and design. She urged the Commission keep the arts in San Francisco and approve the Pier 70 development.

Supervisor Gavin Newsom congratulated the Commission and Supervisor Bierman for their wisdom on the memorial for the Abraham Lincoln Brigade. The Board of Supervisors was not afforded the opportunity of seeing the video. It would have certainly made their vote a unanimous vote. He referenced a line that is somewhat symbolic of the gesture today... "If there's any hope for the future, those with lanterns would pass them onto others." The opportunity, particularly his generation, to witness videos like that of Civil Wars of long past and forgotten is incredibly educational and deemed as an educational light that has purpose and meaning.

On the issue of non-profit displacement, everyone is aware of the importance of cultural diversity, arts organizations and music organizations. The importance of maintaining that diversity in this incredibly over-heated economy. Pier 70 has long been targeted by advocates for non-profit enhancements. He is pleased that the Mayor and the Mayor's Office of Economic Development identified what long has been identified as appropriate use for Pier 70. His job is to advocate and the Commission's job is to deliberate an economic package that would make sense in the long run. He reiterated his support and echoed the unanimous support of the Board for this project. He urged the Commission to consider the question that was brought up but not to hesitate to move efficiently i.e. how one decides who benefits from the 150,000+ s.f.. He underscored the importance of moving forward because the City does not have time to wait. Non-profits are going at rates unprecedented.

Commissioner McCarthy indicated that the RFP for non-profit arts space should be included in a separate RFP. If it is included it in a large RFP, the developer will waste time in putting together different types of non-profit consortium. A carefully crafted separate RFP should be issued for anyone to apply and would purposely meet the trust uses at the same time provide space for non-profit organizations. She amended the resolution to state "... that the Port Commission directs Port staff to issue a separate RFP to implement at least 150,000 s.f. of non-profit arts in the development of the Pier 70 opportunity area."

Commissioner Brandon concurred with Commissioner McCarthy's amendment.

ACTION: Commissioner Brandon moved approval of the resolution as amended; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. The amended Resolution No. 00-85 was approved.

7. FINANCE & ADMINISTRATION

A. Approval of Software Vendor to provide the Port with Property & Maritime Management and Billing System. (Resolution No. 00-82)

Mr. Ben Kutnick, Director of Finance & Administration, presented the item and requested Commission's approval.

Commissioner McWilliams inquired if the issues that Commissioner Lee raised related to the reporting procedures were addressed. Mr. Kutnick replied that this particular software will not address his concern. The Information Systems group is embarking on three major systems projects: (1) property management system (2) facilities & maintenance management system (3) Port's facility cost accounting system, which Commissioner Lee is interested. Staff plans to seek a consultant who is an expert in cost allocation technology.

Commissioner Brandon asked about the criteria in the RFP and the benefits of the new system to the Port. Mr. Kutnick replied that staff is looking for a replacement for the current billing and property management system. Staff utilized the user requirement analysis specified in the RFP. The Port's billing system, Advanced Revelation, is out of date and no longer supported. With the new billing and property management system, there would be tremendous amount of increased functionality.

Commissioner Brandon asked why some of the items that the Commission requested were not included in the RFP. Mr. Kutnick responded that the Commission asked for the possibility of tracking expenses and revenues by facility. The current facility cost accounting system would be able to provide that information but it would take approximately six to nine months to complete that task. Once the system is operational, more information would be provided

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 00-82 was approved.

8. NEW BUSINESS / PUBLIC COMMENT

Frank Reilly, Vice President of ILWU Local 34, spoke about the proposed changes of rail access to Pier 80 and the possibility of denying access to Pier 50. Pier 80 is a pier that has a very unique rail access. It is the only pier at the Port that has direct hook to rail access to accommodate the unloading of ships to railcars to be transported. He also mentioned the importance of maintaining access to those piers as it is vital to maintaining customers at the Port. He requested that the Commission review the proposals and improve the access into Pier 80 and Pier 94/96 to accommodate cargo in and out of the ICTF.

Michael Terry, Business Agent for ILWU Local 75, indicated their concern about the development of the areas that Frank Reilly mentioned. They sensed that this area is being ignored and it's ignoring its vital location next to the water. The water is their freeway and this is the area that they need to keep intact to keep the cargo moving. Their concern is that the waterfront will be developed away. They would like to keep the waterfront intact in proportion to the continuing development of this area and in proportion to the size and energy of this community.

Stephanie Cincotta, Alioto-Lazio Fish Company, commended everyone about the presentation of the Lincoln Brigade and the planned memorial for the brigade. She thanked all responsible parties for finally beginning to get some work done for the Alioto-Lazio Fish Company. Ground was broken in the fish alley to make a sewer line to their crab cookers.

Mrs. Cincotta indicated that she was recently accused of Port bashing and being a bad neighbor. She was not aware that speaking the truth was considered bashing. She was sincerely sorry that some people looked at it that way. If protecting her family and theirs from death threats, falsified police reports, harassment, verbal abuse, slander to their character and the business, then she is guilty of being a bad neighbor. She is proud of her three daughters who operate Alioto-Lazio Fish Company. These women, out of love and pure love for their grandfather Tom Lazio, who was a giant in the fishing industry, volunteered their labor to bring a floundering company back to its feet and it could be in jeopardy again. She has no doubt that these women will not find a way to overcome this latest of challenges with the help of the Port and the Mayor. The Mayor has stepped to the plate. She hoped that this is only the first of many steps as there are some serious issues that still need to be addressed and solved. She especially thanked the Port's Maintenance employees.

The Alioto-Lazio-Cincotta women are fighting so hard for their business for the fishing industry and their two new leases. Thirty One years ago, her oldest son, Tom, died in Vietnam. When he flew out for that far off place on her 41st birthday, he told her that he had to go to be sure that his sisters, his brother and his family could continue to live in peace and freedom. The freedom that would allow them to fight for their principles. They are fighting for those principles and those of her father, her relatives and friends who built the world's famous Fisherman's Wharf. They are all aware that the land on which the fish companies and the restaurants are very valuable to land developers. They don't want to be railroaded out of the wharf. They are fighting for the industry. They are fighting for their

principles. They are not rich, powerful, or political but they are the descendants of those who built this City, gave its character and its main tourist attraction. Besides the ordinary people of San Francisco, the State, the country, the world, they have an army of ghosts behind them. The ghosts of the fishermen of old who used to yell at the back docks, the ghosts of those who worked along side each other, intermittently clicking their knives as they got ready to fillet the fish, the ghosts of the workers who stood in assembly lines to crack the crab, all now have crossed over the bridge of life as have the late Mayor Joe Alioto, who played and worked on the wharf as a boy and loved his City by the bay. Her son, a young marine, who worked but a short time alongside his grandfather before he gave his life to preserve freedom in this country. She asked the Commission to honor those people, both the living and the departed, by preserving the heritage of Fisherman's Wharf. Keep the fish in the Fisherman's Wharf and the Alioto-Lazio Fish Company in business. She thanked all of those who are behind them in the fishing industry.

Commissioner McCarthy pointed out that the Commission minutes indicate that an informational item regarding the crab pot situation and the Alioto-Lazio Fish Company was to take place at this meeting but for some reason, it was not calendared. She asked staff to provide the informational item at the next meeting.

Al Baccari representing the Fisherman's Wharf Association and the Port tenants and the expanded support of Port tenants around the entire Embarcadero, indicated that the last time he was before the Commission, he pleaded strongly about the importance of maintaining the fishing industry in San Francisco and the need to back it up for the capitalization program. Since then, they have taken the message to the district of San Francisco and made them aware of the joy of having a working waterfront. Members of the ILWU also echoed the same sentiments. Mr. Baccari asked the Commission to demonstrate its vision, courage, and integrity for the preservation of the waterfront by asking the Commission to set aside a capitalization of $2 million from the Port's surplus fund of $8 million and earmarked for the fishing industry for the start of the development of Shed C. They have received a commitment from Senator Burton for $2 million from the State funds. They are extremely grateful to many people in public life that have taken a position about Shed C. He is proud of the fact that Supervisor Newsom has led the way and was grateful of his presence because he demonstrates without a question of a doubt his sincerity, his commitment and willingness to stand up, be heard, and carry this message forward.

Supervisor Gavin Newsom indicated that he should have appeared at the Commission meetings a long time ago, perhaps six months ago, when the Pier 45 Shed A was being deliberated. This has raised a tremendous concern about the direction that the Port is going in the waterfront. He was concerned that generations from now the piers, the waterfront are going to look differently than they are today. He was concerned about their desire to become even more prosperous. He intends to get more involved, in a collaborative manner, with issues related to the Port. He has been critical about the Port's decision regarding Shed A because he felt that it is going against its own construct. A resolution was laid out in 1997 to significantly enhance the Port's maritime use and significantly enhance the fishing industry at Pier 45 Shed A. He did not believe that is happening and is concerned that if it did not happen at Shed A, it will not happen to Shed C and other parts of the waterfront. He spoke specifically about Shed C because that issue should be taken off the table. Shed C, from his subjective perspective, should continue to enhance and maintain and aggregate on

some level our fish processing industry, an industry that is very vibrant and could be made extraordinarily vibrant, an economic engine.

Supervisor Newsom indicated that it is critical to our future that we do everything to enhance our image as the world-class center, as the world-class fish processing industry. Everything that has happened to Alioto-Lazio is emblematic of his concern and his desire to get more involved and his desire to plead with the Commission for his generation and the next. It is his full commitment to work with the Port to enhance our fish processing industry in San Francisco. He concurred with hundreds of people to plead with the Port to do what it can. He asked the Commission to earmark some money for the fishing industry. He thanked the Commission for the opportunity to speak and apologized for not engaging in a previous dialogue with the Commission. He asked the Commission to consider what may happen in the election and encouraged them to listen to the fishing industry, labor unions, tenants and the neighborhoods. He committed to be more collaborative, more respectful and asked the same from the Commission.

Commissioner Brandon appreciated Supervisor Newsom's efforts to get involved with the Port but she asked the Supervisor to be involved in the entire Port, not on just one issue. Supervisor Newsom concurred with Commissioner Brandon.

Daniel Strazzullo, Pier 45, indicated that after building his facility at Pier 45 and complied with all the building codes, he questioned why other tenants have not done the same. A year ago, he wrote inquiry letters to Supervisors and Senators. Since that time, Alex Lee issued a memorandum indicating that there were numerous building violations, City health violations, water quality violations and ADA non-compliance.

Jennifer Clary, San Francisco Tomorrow, indicated that three out of the last four months, the Commission changed its standard meeting dates. It would be more conducive to public participation if the Commission maintain the regular meeting dates or change them permanently. She also noticed that the advisory group meetings are not listed. She asked that the Water Quality Advisory Committee and the Maritime Industrial Advisory Committee meetings be listed.

9. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 5:10 p.m., the Commission withdrew to executive session to discuss the following:

B. CLOSED SESSION

(1) PUBLIC EMPLOYEE APPOINTMENT – This is specifically authorized under California Government Code Section 54957.

a. Confirmation of Appointment of the Port's Director of Planning & Development.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING LITIGATION MATTER:

a. Discuss pending litigation matter pursuant to subdivision (b) of the California Government Code Section 54956.9 (one case).

____ As Defendant _X_ As Plaintiff

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Port Property located at Pier 30-32
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Red's Java House: Steve Riley

b. Property: Boondocks Restaurant at Pier 28
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Boondocks: James Kennedy

c. Property: Lapis Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Lapis Restaurant: Daniel Mash

d. Property: Sinbad's Restaurant
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Sinbad's Restaurant: Thomas Stinson

e. Property: Ferry Building
Person Negotiating: Port of San Francisco: Mark Lozovoy, Principal Property Manager/Alec Bash, Waterfront Planner, Special Projects
*Wilson Cornerstone: Chris Meany

f. Property: Bayfront Park @ Mission Bay
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Catellus: Eric Harrison

g. Property: Pier 35
Person Negotiating: Port of San Francisco: Douglas F. Wong, Executive Director
*Titanic II: Hans Ullmark

h. Property: Pier 27/31 or alternate properties located on the waterfront within Port jurisdiction
Person Negotiating: Port of San Francisco: Braj Norris, Special Assistant
*The Bay Area Sports Organizing Committee: Rob Weikert

i. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Rich Hillis, Acting Director, Planning & Development
*Malrite Group: Dennis Barrie

10. RECONVENE IN OPEN SESSION

ACTION: Commissioner McWilliams reported that the Commission approved the appointment of Byron Rhett, Director for Planning & Development.

ACTION: Commissioner McCarthy moved approval to not disclose any information discussed in executive session. Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

11. ADJOURNMENT

The meeting was adjourned at 8:31 p.m.

SAN FRANCISCO
PORT COMMISSION

SPECIAL MEETING
1:30 P.M., THURSDAY, NOVEMBER 9, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

DOCUMENTS DEPT.

NOV - 7 2000

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AGENDA

1. **ROLL CALL**

2. **EXECUTIVE**

   A. Executive Director's Report

3. **PLANNING & DEVELOPMENT**

   A. Authorization to commence planning, design and engineering work and to establish priority of additional funding in the amount of $1.6 million in the Port's Capital Plan budget for the construction of improvements for fishing industry uses in Pier 45 Shed C. (Resolution No. 00-87) (Staff report provided to the Commission.)

   B. Resolution urging the Board of Supervisors, after appropriate notice and due consideration, to adopt a Resolution of Necessity in order to acquire the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in Lease L-8562 between the Port and the World Trade Club. (Resolution No. 00-86) (Staff report provided to the Commission.)

4. **NEW BUSINESS / PUBLIC COMMENT**

   Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

5. **ADJOURNMENT**

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

NOVEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
November 9 *(Special)*	1:30 p.m.	Port Commission	Port Commission Room Ferry Building
November 14 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
November 21 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Helen Chan	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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MEMORANDUM

November 6, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to commence planning, design and engineering work and to establish priority of additional funding in the amount of $1.6 Million in the Port's Capital Plan Budget for the construction of improvements for fishing industry uses in Pier 45 Shed C

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO COMMENCE PLANNING, DESIGN AND ENGINEERING WORK AND TO ESTABLISH PRIORITY OF ADDITIONAL FUNDING IN THE AMOUNT OF $1,600,000 IN THE CAPITAL PLAN BUDGET FOR THE CONSTRUCTION OF IMPROVEMENTS FOR FISHING INDUSTRY USES IN PIER 45 SHED C

In 1969, pursuant to the Burton Act, Port properties were transferred to the City and County of San Francisco "**in trust for purposes of commerce, navigation and fisheries.**" The San Francisco Port Commission was established to manage these properties. The Port Commission in June 1997 by Resolution No. 97-50 adopted the *Waterfront Land Use Plan*, which stated land use policies governing Port properties. This plan included as its first objective for the Fisherman's Wharf Waterfront: "**Restore and expand Fisherman's Wharf as a working fishing port**."

The Port Commission on October 14, 1997 by Resolution No. 97-83 adopted guidelines for long term uses for Pier 45 Sheds A and C. These guidelines were recommended to the Port Commission by the Pier 45 Advisory Group made up of representatives of various constituencies comprising the Fisherman's Wharf Community. The Pier 45 Advisory Group was formed by the Port in January 1996 to provide input and guidance on the uses for Sheds

A and C, which are located on the east side of Pier 45 at the foot of Taylor Street. The guidelines adopted by Resolution No. 97-83 regarding long-term uses for the east side of Pier 45 are as follows:

1. "**Shed C to be reserved for fishing industry uses including fish processing and wholesaling, truck access, storage, and employee parking** [bold added];
2. Shed A to be reserved primarily for public attraction uses that are compatible with the fishing industry and with the Fisherman's Wharf area, and include a significant maritime component;
3. A portion of Shed A may be used for support space for the U.S.S. Pampanito;
4. The Pier 45 east apron to be reserved for public access, ceremonial berthing and U.S.S. Pampanito access and support; and
5. If required for Pier 45 fishing industry tenants, parking shall be provided in Sheds A and/or C."

In 1995, the Port completed the development of modern fish processing facilities in Pier 45 Sheds B and D at a cost of $6.0 Million (plus an additional $7.6 Million of seismic repair and upgrades to the entire Pier 45 funded by FEMA/OES). The Port obtained Federal and State grants in the amount of $4.0 Million toward funding this $6.0 Million project, and funded the remaining $2.0 Million out of Port capital funds. A total of 108,197 s. f. of modern fish processing and wholesaling facilities were created in Sheds B and D. All but 6,298 s. f. (6%) of this fish processing and wholesaling space is currently leased by 16 different firms. Presently, there are 7 other fish wholesaling firms located in 44,747 s. f. of inadequate facilities in Piers 28 and 33. There is thus the need to now create modern fish wholesaling facilities in Pier 45 Shed C.

The Port's current Capital Plan for the 2000/01 Fiscal Year includes funding for the redevelopment of Pier 45 Shed C in the amount of $332,308, which is allocated for the planning, design and engineering of fishing industry improvements in Pier 45 Shed C. However, Port staff has not yet begun this design work due to other project assignments. Port staff estimates that the cost to design and construct fish wholesaling facilities, parking, loading and circulation space in Shed C will cost approximately $3.9 Million. Assuming that the Port is again successful in obtaining at least $2.0 Million of grant funds toward this project, the Port will need to allocate an additional $1.6 Million of capital funds to complete this project.

Port staff therefore recommends that the Port Commission identify as a top priority for Port staff to commence the planning, design and engineering of fishing industry improvements in Pier 45 Shed C, and to authorize staff to commence this planning, design and engineering work. Port staff is currently in the process of preparing the Port Capital Plan for the 2001/02 Fiscal Year, and Port staff recommends that the Port Commission establish as a top priority in this capital plan additional funding in the amount of $1.6 Million for the construction of improvements for fishing industry uses in Pier 45 Shed C.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-87

WHEREAS, Pursuant to the Burton Act, Port properties were transferred to the City and County of San Francisco in trust for purposes of commerce, navigation and fisheries; and

WHEREAS, The Port's Waterfront Land Use Plan includes as the first objective for the Fisherman's Wharf Waterfront to restore and expand Fisherman's Wharf as a working fishing port; and

WHEREAS, The Port Commission by Resolution No. 97-83 adopted guidelines for long term uses for Pier 45 Sheds A and C, including the guideline that Shed C is to be reserved for fishing industry uses including fish processing and wholesaling, truck access, storage, and employee parking; and

WHEREAS, The modern fish processing and wholesaling facilities which the Port completed in 1995 in Pier 45 Sheds B and D are now 94% occupied; and

WHEREAS, Seven fish wholesaling businesses currently occupy 44,747 s. f. of inadequate facilities in Piers 28 and 33; and

WHEREAS, The Port Capital Plan for the 2000/01 Fiscal Year includes funding of $332,308 for design of improvements for the fishing industry in Pier 45 Shed C, but does not include funding for the construction of these improvements; therefore, now be it

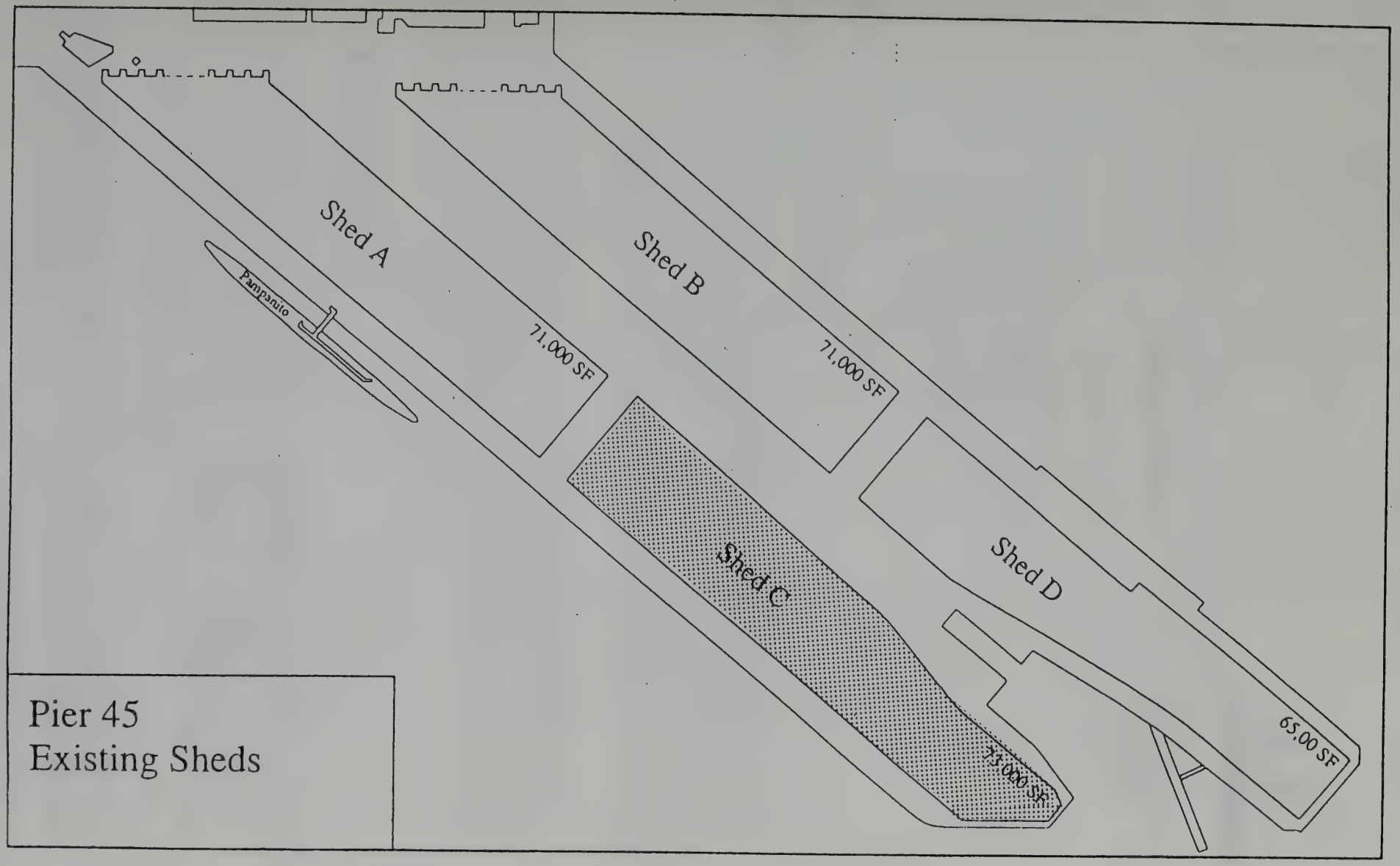
RESOLVED, That the Port Commission authorizes and directs Port staff to immediately commence the planning, design and engineering of improvements for fishing industry uses in Pier 45 Shed C; and now be it further

RESOLVED, That the Port Commission hereby establishes as a top priority for Port capital funds additional funding in the amount of $1,600,000 in the Port's 2001/02 Fiscal Year Capital Plan for the construction of improvements for fishing industry uses in Pier 45 Shed C; and now be it further

RESOLVED, That the Port Commission hereby directs Port staff to work with its Federal and State legislative delegations in pursuing grant funds to complete and supplement the funding of the improvements for fishing industry uses in Pier 45 Shed C, and to analyze funding options through investments by prospective fishing industry tenants who would occupy space in Pier 45 Shed C.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 9, 2000.

_____
Secretary



Pier 45
Existing Sheds

PORT OF SAN FRANCISCO

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MEMORANDUM

November 6, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Adoption of Resolution urging the Board of Supervisors, after appropriate notice and due consideration, to adopt a Resolution of Necessity in order to acquire the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in the Lease between the Port and the World Trade Club dated June 26, 1974, as amended on May 19, 1980 (First Amendment), June 13, 1980 (Second Amendment) and March 10, 1986 (Third Amendment).

DIRECTOR'S RECOMMENDATION: ADOPT RESOLUTION URGING THE BOARD OF SUPERVISORS TO ADOPT A RESOLUTION OF NECESSITY IN ORDER TO ACQUIRE THE INTERESTS OF THE WORLD TRADE CLUB IN THAT PORTION OF THE FERRY BUILDING/WORLD TRADE CENTER DESCRIBED IN THE LEASE BETWEEN THE PORT AND THE WORLD TRADE CLUB.

I. BACKGROUND

The Ferry Building has long stood as a symbol of the San Francisco waterfront and is one of the City's most widely and easily recognized landmark buildings. The building serves a vital transportation function as a link between increasingly busy ferry operations on the bayside and existing and planned transit operations on the cityside. The building has also been a significant resource for the Port of San Francisco, housing the Port's administrative offices and providing important commercial rental income.

For the past seven years the Port has worked to develop, evaluate and refine alternative concepts for the historic rehabilitaion of the Ferry Building, a City Landmark which is listed on the National Register of Historic Places. To help facilitate this development, the Port

Commission by Resolution No. 99-17 (March 9, 1999) approved a Development Agreement with AMB Property Corporation for the redevelopment and adaptive reuse of Pier 1, in order to relocate the Port's administrative offices to Pier 1 as well as accommodating other uses. Construction at Pier 1 commenced earlier this month, and the Port is expected to relocate in December 2000.

In its review, the Port determined that the most feasible development scenario to achieve its goals for a timely and cost-effective rehabilitation project was to enlist the aid of a private developer. Consequently, on May 15, 1998, the Port issued a Request for Qualifications and Proposals ("RFQ/P") to rehabilitate and lease the Ferry Building as a mixed-use project. Pursuant to this RFQ/P, the Port Commission by Resolution No. 98-114 (November 17, 1998) awarded to William Wilson and Associates ("WWA") an exclusive right to negotiate with the Port for this project. WWA and Equity Office, Inc., have since merged and are known as Wilson Equity.

The Port Commission on August 24, 1999 adopted Resolution No. 99-67 approving the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Lease") with Ferry Building Investors, LLC ("Developer"), the successor in interest to WWA for the rehabilitation of the Ferry Building. The Port Commission by Resolution No. 99-90 approved the Schematic Design ("Design") for the Ferry Building project. The Lease has since been approved by the Board of Supervisors, and the Developer has obtained the necessary approvals from, among others, BCDC, Army Corps of Engineers, the Port Building Department.

The Developer has also submitted a Historic Preservation Certification Application Part 2 to the National Park Service. After the construction is completed, the Developer expects to receive certification from the National Park Service that the construction complies with the Secretary of Interior's Standards for Rehabilitation, making the project eligible for a 20% Federal Historic Preservation Tax Credit.

II. CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA")

The San Francisco Planning Department published a Final Negative Declaration, dated October 1, 1998, regarding the proposed Ferry Building project. This Final Negative Declaration finds that the project will not have a significant effect on the environment, and identifies certain mitigation measures to avoid potential significant negative effects, which are indicated in LDDA Attachment 18.

The Port subsequently requested that the Planning Department reevaluate the proposed project in light of modifications to the project, i.e., reductions in the commercial development program. The Planning Department reviewed the revised project and concluded, by Memorandum to File No. 94.684E, Ferry Building Renovation Project, of August 19, 1999, that the analyses conducted and the conclusions reached in the Final Negative Declaration adopted and issued on October 1, 1998 remain valid and that no supplemental environmental review is required. The Port Commission in its August 24, 1999 Resolution No. 99-67 considered and adopted the findings of the Final Negative Declaration and its Mitigation Measures and the Mitigation Monitoring and Reporting Program pursuant to CEQA.

III. LEASE DISPOSITION AND DEVELOPMENT AGREEMENT

The purposes of the LDDA are to set forth the conditions for the development of the Ferry Building by the Developer, and to state the conditions for delivery of the Lease for the Ferry Building and the Site to the Developer. The Port is obligated to deliver the Lease and the Site to the Developer provided the conditions are satisfied. The LDDA provides the Developer with the certainty it needs in order to invest further in the design and approval process for the Ferry Building and to finalize the project financing. It also protects the Port in that the Port does not have to deliver the Lease and the Site unless and until certain conditions are satisfied.

The following are the conditions relevant tenants and occupants of the Ferry Building that must be satisfied for the escrow to close, whereby the Lease and the site will be delivered to Developer

- The Port is to deliver the Ferry Building to the Developer free of existing tenants and occupants, (including the Port) except the World Trade Club ("WTC"), Limbach & Limbach, Inc. ("Limbach"), and the National Railroad Passenger Corporation ("Amtrak").

- Developer is responsible for relocating WTC, Limbach and Amtrak or may accept the Site subject to their tenancies. If Developer is unable to obtain the termination or relocation of WTC by the Close of Escrow, it is treated as an event of force majeure and extends the date of the close until July 31, 2004.

- Port agrees to exercise any rights it may have to relocate WTC, Limbach or Amtrak and/or to terminate month to month tenancies and ancillary agreements they may have (such as parking rights).

IV. LEASE

The Lease, which will be delivered through escrow when the above conditions are satisfied, includes the following terms:

- **Premises:** The Premises will consist of the existing Ferry Building, with certain easements.

- **Term:** The term of the Lease will commence upon the Close of Escrow and expire 66 years thereafter.

- **Permitted Uses:** The Premises shall be used for specialty retail uses, food markets, entertainment, offices, meetings, restaurants, transportation terminal uses, and public access uses.

- **Financial Terms:**

  Minimum Rent: Guaranteed $1.4 million annually, commencing upon Close of Escrow.

Annual Consumer Price Index ("CPI") Adjustment: Between 10% and 20% every five years, after operating expenses, reserves and debt service. Unpaid CPI adjustments accumulate.

Participation Rent: 50% of net cash flow, after 11% developer return on equity. Unpaid return on developer equity accumulates.

Participation in Refinance Proceeds: Port receives 30% of net proceeds from refinancing.

Participation in Transfer or Sale Proceeds: Port can elect to receive 30% of net proceeds from a transfer or sale, but thereafter relinquishes its 50% participation in net cash flow.

V. OTHER BENEFITS

Other benefits to the Port include:

- Implementing the goals and objectives stated in the Port's *Waterfront Land Use Plan* and its *Design & Access Element*, and the *San Francisco General Plan.*
- Seismically upgrading the Ferry Building, and protecting this historic maritime resource.
- Preserving and rehabilitating the Ferry Building, a City Landmark which is listed on the National Register of Historic Places, consistent with the Secretary of Interior's Standards for Rehabilitation.
- Promoting public access to the Bay and its water transit services.
- Providing high quality commercial retail facilities and office space within a transit terminal adjoining the City's Financial District.

VI. RESOLUTION OF NECESSITY

The LDDA provides for the Close of Escrow and initiation of construction on the Ferry Building as early as January 2001, in order to accomplish the objectives herein set forth. All Ferry Building occupants must vacate the building prior to commencement of its rehabilitation.

The Port plans to relocate its offices to Pier 1 in mid-January. Tenants with month-to-month leases have virtually all either vacated the building or signed stipulations committing to vacate before the end of this year.

Three tenants have long-term leases extending beyond the contemplated initiation of construction, the WTC, with a lease through June 30, 2004; Amtrak, with a lease through May 31, 2005; and Limbach, with a lease through June 30, 2006. The Port's lease with Amtrak includes provisions for the Port to relocate Amtrak to the Agriculture Building during the rehabilitation of the Ferry Building. The Port has provided Amtrak with the 180-day notice of relocation provided for in its lease. The Developer and Limbach have reached

an agreement on Limbach's relocating from its premises within the Ferry Building in early 2001. The Developer and the WTC have had many discussions, accompanied in many instances by representatives of the Port, but have not been able to negotiate an agreement under which the WTC would relocate from its premises within the Ferry Building.

The LDDA provides that if the Developer is unable to obtain the termination or relocation of the WTC by the Close of Escrow (ordinarily to occur no later than December 31, 2001), the date for the Close of Escrow will be extended to the earlier of (i) the termination or relocation of WTC or (ii) July 31, 2004. If the Close of Escrow is extended, the Developer has no obligation to pay the Port for such period; however, the Port has the ability to enter into interim leases that are terminable upon 30-days notice. The $1.4 million annual payment does not commence until Close of Escrow.

The opportunity to preserve and restore the Ferry Building may be lost if the rehabilitation work and lease-up is not accomplished during the current strong market cycle. The public benefits associated with this preservation project would be jeopardized if the WTC does not vacate its premises within the Ferry Building until July 31, 2004.

The Port has entered into an agreement with the Developer under which the Developer acknowledges its responsibility under the LDDA to relocate or terminate the WTC leasehold, and in furtherance thereof, agrees to indemnify and pay to the Port all of its and the City's costs in pursuing an eminent domain action against WTC. Therefore, any costs incurred by the Port or the City in furtherance of the eminent domain action will be fully covered by the Developer.

The Port has appraised WTC's compensable interests and determined a value of $1.17 Million. However, for the purpose of facilitating a rapid settlement of the matter and avoiding the expense of protracted eminent domain litigation, the Port offered to pay the Club a total of $2.3 million for its interests. The WTC has until 12:00 p.m. on November 9, 2000 to accept or reject this offer.

VII. RECOMMENDATION

In the event that WTC has not accepted the above-referenced offer of $2.3 Million by 12:00 p.m. on November 9, 2000, Port staff recommends adoption of a resolution urging the Board of Supervisors to adopt a Resolution of Necessity in order to acquire the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in the lease between the Port and the World Trade Club.

Prepared by Alec Bash, AICP
Waterfront Planner—Special Projects

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-86

WHEREAS, in 1997 the San Francisco Port Commission ("Commission") adopted the Waterfront Land Use Plan, including the Design and Access Element ("Waterfront Plan") after an intensive seven year planning process that culminated in the Board of Supervisors and Planning Commission adopting conforming amendments to the City's General Plan and Planning Code; and

WHEREAS, the Waterfront Plan includes the Ferry Building within the Ferry Building Area and summarizes objectives for that Area as follows:

"A central objective for this area is the preservation and restoration of historic structures, particularly the Ferry Building and former U.S. Agricultural Building which are listed on the National Register of Historic Places." The area objectives promote waterborne commute and recreational travel and enjoyment, and the restoration of the area as a major intermodal transit center for the City. To complement existing and new ferry, excursion boat, water taxi, historic ship and recreational boat moorings, other commercial and public uses are permitted.... Together, these uses should emphasize the civic importance of the area, draw people into the Ferry Building, and establish the area as a destination in its own right. The ...Plan emphasizes the importance of ensuring that the Ferry Building and environs are physically and visually integrated with their spectacular City and Bay settings, thus re-establishing the area as a gateway to the City. This includes extending the Port Walk through the area to provide more convenient, direct and aesthetically pleasing public access connections to open space and the Bay. The high cost of renovating the Ferry Building and other historic structures in the area will require the Port to pursue a mix of public and private resources in order to achieve an appropriate quality and mix of uses. Fortunately, because of its central downtown location, the Ferry Building Waterfront offers perhaps the best opportunity for a successful public and private partnership to provide new public amenities, jobs and other benefits to the Port, the City and the region." (Waterfront Plan, Executive Summary at p.10.); and

WHEREAS, the Waterfront Plan in the introduction to the Ferry Building Waterfront states:

"The focal point of this area is the historic Ferry Building. With the removal of the Embarcadero Freeway, the Ferry Building and its environs are re-emerging as a site of proud civic importance to the City. Restoring the Ferry Building to its historic role as a bustling transportation hub and elegant centerpiece of the waterfront is one of the highest priorities of the Plan. Downtown workers, neighbors and visitors will flock to the area's new ferries, hovercraft and excursion boats, public market, conference facilities, retail establishments and other public-oriented activities. The Port is already laying the groundwork for this transformation, including seismic upgrades, design studies, funding initiatives and environmental review for the Ferry Building project. On

the waterside, construction of the Downtown Ferry Terminal project will provide new berths for expanding regional ferry service." (Waterfront Plan, The Ferry Building Waterfront, p. 116); and

WHEREAS, the Waterfront Plan for the Ferry Building Mixed Use Opportunity Area includes the following Development Standards:

"Restore the exterior Embarcadero façade of the Ferry Building, using building materials that maintain and/or restore the historic character and architectural integrity of the structure.

"Restore the historic grand, sky lighted gallery on the second level as the principal public space, to the extent possible.

"Encourage exhibition space in the building for historic or civic displays, such as the California Relief Map, or exhibits about Port history, the Ferry Building or San Francisco.

"If possible, uses in the building, including offices, should relate to a unique thematic concept such as maritime activities, world trade and diplomacy, transportation and travel, or San Francisco and California cultural, business or artistic activities, or some combination thereof.

"Incorporate accessory retail uses to meet the needs of downtown workers, ferry riders and visitors, such as ticket offices, cash machines, travel offices, other personal services, and recreational equipment vendors.

"Allow theme retail and festival uses such as public and fish markets, as well as restaurants and other eating and drinking establishments that both attract and benefit from visitors to the waterfront.

"Create a central, public foyer in the building which provides dramatic views and connections to the Bay and the ferries.

"Give preference to public uses on the first floor.

"Make activities available at different price levels to encourage full use and enjoyment by all segments of the public.

"Provide protection from inclement weather for ferry riders.

"Provide a water taxi stop where feasible.

"Avoid conventional shopping center or tourist-oriented retail uses.

"Consider moving the Port's offices to make room for revenue-generating uses on the upper floors of the Ferry Building, if this helps support the costs of renovation.

"Consider adding a fourth floor to the Bay side of the Ferry Building, consistent with earlier historic design guidelines, if necessary to increase revenues to support the expense of historic renovation.

"Determine the feasibility of opening the tower for paid public tours.

"Encourage public donations to help finance components of the Ferry Building renovation." (Waterfront Plan, The Ferry Building Waterfront, pp. 127-28); and

WHEREAS, the Waterfront Plan's Design & Access element has the following criteria:

"Preserve, rehabilitate and adaptively reuse the Ferry Building ... consistent with the Secretary of the Interior's Standards for Rehabilitation.

"Improve connections to the Bay by providing ground-floor pedestrian access through the Ferry Building." (Waterfront Plan, Design & Access Element, Ferry Building Area Design Criteria, p. 85); and

WHEREAS, the San Francisco Port Commission ("Commission") wishes to preserve and restore the Ferry Building, pursuant to objectives, development standards and design criteria of the Port's Waterfront Land Use Plan and its Design & Access Element ("Waterfront Plan"); and

WHEREAS, the Commission on November 17, 1998 under Resolution No. 98-114 awarded William Wilson and Associates the opportunity to enter into an Exclusive Right to Negotiate agreement for the rehabilitation of the Ferry Building, following a competitive Request for Qualifications and Proposals process; and

WHEREAS, the Commission on August 24, 1999 adopted Resolution No. 99-67, finding that the Final Negative Declaration for the Ferry Building Project, case file no. 94.684E ("the Project") was adequate, accurate and objective and that there was no substantial evidence that the Project will have a significant effect on the environment, and adopting the Final Negative Declaration, mitigation measures and mitigation monitoring program prepared for the Project; and

WHEREAS, the Commission in Resolution No. 99-67 also approved the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Lease") with Ferry Building Investors, LLC ("Developer"), the successor in interest to William Wilson and Associates, for the rehabilitation of the Ferry Building; and

WHEREAS, the Commission on November 17, 1999 in Resolution No. 99-90 approved the Schematic Design ("Design") for the Ferry Building project; and

WHEREAS, Port Commission approval of the Ferry Building LDDA, Lease and Design was in furtherance of an overall program of harbor development

for the Ferry Building Area that to date has included numerous actions consistent with the Waterfront Plan policies and objectives for the Ferry Building area, all as outlined in the attached exhibit entitled "Ferry Building Area Plan Implementation" and dated November 9, 2000; and

WHEREAS, the Commission has complete authority to do all things it deems necessary in connection with the use, conduct, operation, management, maintenance, regulation, improvement and control of the harbor of San Francisco which are not prohibited by State law or the City Charter and which are in conformance with the Burton Act, including reconstruction and repair of public or commercial buildings, preservation or restoration of marine resources, and the lease of said facilities for limited periods not exceeding 66 years for purposes consistent with the trusts upon which the lands are held by the State and with the requirements of commerce and navigation, all as provided in Section 3 of the Burton Act; and

WHEREAS, the Commission, by its approval of the Ferry Building LDDA, Lease and Design, was acting within the scope of the authority granted by Section 3 of the Burton Act because the LDDA, Lease and Design are necessary to accomplish the preservation of a maritime resource through the reconstruction and repair of the historically significant Ferry Building in furtherance of the policies and objectives of the Waterfront Land Use Plan, which is a purpose consistent with the trusts upon which the lands are held by the State and with the requirements of commerce and navigation, as well as with the Burton Act, and is not prohibited by State law or the City Charter; and

WHEREAS, the Waterfront Plan identified historic preservation as the "central objective" for the Ferry Building area because the Port's most significant historic resources are concentrated there, and preservation will ensure an aesthetic character that will promote maximum public use of the multi-million dollar, publicly funded, Downtown Ferry Terminal, waterfront transportation and public access and open space improvements; and

WHEREAS, in 1892 the electorate of California authorized construction of the Union Ferry Depot, known now as the Ferry Building, with a bond issue, with the new structure to function both as a ferryboat terminal and a State office building and intended to replace the old Central Terminal Building built in 1877; and

WHEREAS, the Ferry Building opened in July 1898 when ferry service officially began from the new ferry slips, and State offices were completed in 1903; and

WHEREAS, the Ferry Building has long served San Francisco as a welcoming beacon to all who have entered and left the City, and as a venerable symbol of San Francisco itself, standing as a vital reference point for all who have traveled through, and reside in, the Bay Area; and

WHEREAS, the importance of the Ferry Building, notable for its significant contribution to turn-of-the-century architectural and engineering history and its importance in the development of San Francisco as a major early

20th century western transportation and mail terminus, is reflected in its listing (as the "Union Ferry Depot") on the National Register of Historic Places, its designation as an Historic Civil Engineering Landmark by the National Society of Civil Engineers, and its designation as a San Francisco City Landmark; and

WHEREAS, these designations recognized the Ferry Building's design by a prominent San Francisco architect, A. Page Brown, who died shortly after contracts for its construction were let, and its completion by architect Edward R. Swain assisted by Port Chief Engineer H. C. Holmes; its prominent 235-foot tower; its neo-classic Beaux Arts style; its reinforced concrete foundation, an innovative technique at the time of construction, within a steel frame building; and its use by 50 million San Francisco Bay commuters per day, surpassed only by London's Charing Cross Station as the busiest passenger terminal in the world; and

WHEREAS, the LDDA and the Lease present a rare opportunity to preserve an example of the maritime transportation terminal architecture of that era with its integrity of location, design, setting, materials, workmanship, and the presence of many of the original architectural features and details, including:

(1) its neo-classic Beaux Arts style, with an arcaded front dramatically responding to the waterfront for 660 feet;

(2) the punctuation of the enormous stretch of the building by a square clock tower rising 235 feet to a prominent position, visible for the length of Market Street—the City's commercial and transit axis—and modeled after the 12th Century Giralda Tower of the Cathedral of Seville, with its four 22-foot diameter clock faces illuminated at night along with lunettes in the tower dome to act as beacons;

(3) a steel frame design including steel columns, girders, beams and diagonal rods supporting brick walls and Colusa Sandstone facing, the walls for each story being self supporting;

(4) a central entrance pavilion with arches and a giant order, using an extended triumphal arch motif of three central arches with secondary end bays containing smaller arched entrances, articulated by a giant Corinthian Order supporting a full entablature, with the whole ensemble acting as a monumental memorial arch forming the door to the City; and

(5) a grand staircase covered by marble rising into a 42-foot high second level Nave Bay promenade originally running the full length of the building, of which remain portions of the marble wainscoting, tan brick arches, marble mosaic flooring, structural steel trusses, clerestory windows and skylit roof;

(6) a large welcoming sign originally erected in 1915, which identifies the "Port of San Francisco" in bold white eight-foot letters in the

daylight and brilliant red neon at night, visible around the clock from the Bay, Yerba Buena and Treasure Islands, and the Bay Bridge;

all of which will now provide the elements for the historical rehabilitation of the Ferry Building and the ferry terminal improvements being developed bayward of the Ferry Building; and

WHEREAS, although preservation of the Ferry Building to the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings ("Secretary of the Interior's Standards") adds substantially to the rehabilitation cost, such preservation is called for in the Waterfront Land Use Plan and its Design & Access element, and is supported by the San Francisco General Plan, which in its Urban Design Element calls for preserving notable landmarks of historical, architectural or aesthetic value, and in its Northeastern Waterfront Area Plan calls for restoring and adaptively reusing the Ferry Building (consistent with the Secretary of the Interior's Standards), and the Commission concludes that such preservation is the highest and best use of the transferred lands consistent with the trust under which the lands are held; and

WHEREAS, the Port and Developer are committed to a project that would meet the Secretary of the Interior's Standards and, therefore, be eligible for historic preservation tax credits, consistent with the Waterfront Plan and San Francisco General Plan policies intended to preserve the strong architectural and historic character of this notable landmark building, a landmark second only to San Francisco City Hall in civic importance and the senior of these two landmark buildings, and the Ferry Building area; and

WHEREAS, the abundant public open spaces and open water areas surrounding the building provide 360 degree opportunities for observing the historic maritime architectural features, the most prominent of which are the clock tower, the restored cityside and end elevations, and the cityside arcades; and

WHEREAS, the Ferry Building's preservation through adaptive reuse as proposed provides substantial interior public spaces on the first and second levels, totaling about 50,000 square feet, which offer the public both physical and visual access to the most significant historical elements within the building, concentrated within the original Nave Bay promenade; and

WHEREAS, the public uses on the ground floor and the landmark qualities of the Ferry Building will attract large numbers of people to the shoreline to enjoy the Bay; and

WHEREAS, the preservation of the Ferry Building also furthers the important trust purpose of enhancing public access to and enjoyment of tidelands by providing north-south and east-west passages which connect to significant public access areas in the Ferry Building Area added by the Mid-Embarcadero Roadway Project and about to be added by the Downtown Ferry Terminal Project; and

WHEREAS, Ferry Building preservation provides multiple benefits by preserving this historic transportation terminal and State office building, enhancing ferry ridership, and attracting the public to the waterfront, during a period in which long term ferry transit demand was studied by a State-funded Blue Ribbon Water Transit Task Force which recommended major increases in ferry transit service to meet increased long term demand as part of a new Bay Area Water Transit Initiative, endorsed by the Port Commission on July 27, 1999, and leading to formation of the newly-created San Francisco Bay Area Water Transit Authority with an initial State appropriation of $12 million to commence environmental and other detailed ferry transit studies; and

WHEREAS, time is of the essence if efforts to rehabilitate the Ferry Building consistent with historic preservation standards are to be accomplished with the least cost burden to public trust resources because any major rehabilitation of the facility has been deferred for many years and current real estate market conditions are very favorable; and

WHEREAS, if the Port is unable to take advantage of private investment to rehabilitate the Ferry Building, with sufficient economic potential to make its historic rehabilitation feasible, the facility would not be restored to its historic role as a major maritime transportation hub and center of activity along the waterfront; and

WHEREAS, the Waterfront Plan recognized that the Ferry Building area was uniquely appropriate to attract private capital to invest in historic preservation of maritime facilities due to the proximity to the San Francisco Financial District and the large public investment in nearby transportation and open space amenities; and

WHEREAS, the Commission concluded that the mixed use occupancy of the Ferry Building as provided in the Lease, with upper level offices and a Commission meeting room above ground level, food-oriented retail, would best support the trust objectives of preserving and rehabilitating the Ferry Building and improving public access and use because it is the highest economic use consistent with the architectural limitations of this maritime and State office facility which no longer requires the second floor ferry passenger facilities which it originally contained; and

WHEREAS, ground level food-oriented commercial retail and dining establishments promotes the Port's overall program of improvements for the Ferry Building area, integrating the facility with its spectacular City and Bay settings and re-establishing the area as a gateway to the City, by providing an attractive venue within which workers, residents and visitors to the City may find the highest quality fresh and prepared food products of this abundant region, to enjoy both on and away from the premises; and

WHEREAS, upper level office use at the Ferry Building promotes the Port's overall program of improvements for the Ferry Building area by providing a place for Port Commission meetings, thus continuing the public visibility and civic character of the area, and creating new first class office space for other office tenants, thereby promoting ferry transit by increasing

commuter demand, and supporting a mix of publicly oriented ground level food establishments with office workers who will support businesses during weekdays and enable those uses to not have to rely on visitor or weekend recreational users; and

WHEREAS, the level of office use proposed is essential to the program for the rehabilitation of the Ferry Building, but will nonetheless result in a reduction from the existing level of office space within the Ferry Building; and

WHEREAS, the Commission must conserve Port revenue to subsidize those maritime uses and public improvements for which private investment is not economic and therefore, the Port can not directly fund all necessary capital improvements to repair historic Port facilities such as the Ferry Building (with an estimated project cost of $70 million); and

WHEREAS, the Commission in Resolution 99-67 found that the LDDA and the Lease were necessary to accomplish the preservation, reconstruction and repair of the historically significant Ferry Building in furtherance of the policies and objectives of the Waterfront Plan, which was a purpose consistent with the trusts upon which the lands are held by the State and with the requirements of commerce and navigation; and

WHEREAS, in so finding the Commission was acting consistent with the public trust doctrine as established in California case law and attorney general decisions; and

WHEREAS, the California Supreme Court has upheld the lease of trust lands to private interests to achieve trust purposes; and

WHEREAS, Section 3 of the Burton Act authorizes the Port Commission to enter into 66 year leases provided that the revenues from such leases shall be used for purposes consistent with the trust; and

WHEREAS, the Lease is for a term of 66 years, and revenue from the Lease will be used for such purposes as may be established through the Port and City budget and fiscal process intended to ensure that Harbor Fund revenues are expended for trust purposes as required under the Burton Act; and

WHEREAS, Section 5 of the Burton Act provides that the Commission has authority to use revenues accruing from the use of the transferred lands for the purpose of reconstruction or repair of bulkheads and piers necessary for the development of the transferred lands for highest and best use in the public interest, provided that such purpose complies with the terms of the trust which are matters of statewide as distinguished from local or purely private interest and benefit; and to promote maximum public use of the transferred lands and encourage private investment in development of such transferred lands for the highest and best use in the public interest; and

WHEREAS, the Commission, by its approval of the LDDA and the Lease, acts within the scope of authority granted by Section 5 of the Burton Act, because Port revenues derived from the transferred lands are being used:

(1) to preserve, reconstruct and repair the Ferry Building which (a) promotes statewide, as distinguished from local or purely private, interest and benefit by preserving and restoring an historically and architecturally significant maritime trust asset as part of an integrated and highly beneficial program of development of the Ferry Building Harbor Area intended to promote statewide interests by encouraging waterborne transit, improving navigation in the Harbor and enhancing public use and enjoyment by preserving the historic maritime aesthetic qualities of the Ferry Building Area properties, and (b) is necessary for the development of the Ferry Building for the highest and best use in the public interest ---which is a unique mix of public trust uses described herein; and,

(2) to promote maximum public use of the transferred lands in the Ferry Building Area by: (a) achieving the preservation of the historic Ferry Building and its restoration as the gateway to the City for waterborne passengers; (b) assuring historic preservation of the Ferry Building, enhancing the public's enjoyment of the historic maritime aesthetic of the Ferry Building Harbor Area; (c) creating additional public access through the interior of this historic building, thereby achieving the Port's design plan for public access to the Ferry Building harbor and attracting the public to enjoy the views of the harbor and to learn about and appreciate the historic maritime functions; and (4) providing ground floor uses drawing members of the public to enjoy the shoreline, including the new perimeter public access being provided along the north wing of the building by the Downtown Ferry Terminal Project; and

(3) to encourage private investment in development of such transferred lands for the highest and best use in the public interest by soliciting, through a competitive process, the participation of Ferry Building Investors, LLC, to fund the about $70 million investment required to reconstruct and repair the historic maritime facility for a unique mix of trust purposes; and

WHEREAS, the LDDA and the Lease are consistent with the Waterfront Land Use Plan and San Francisco General Plan policies and further Port objectives as set forth below; and

WHEREAS, the Ferry Building Project, with its ground level public-oriented uses and upper level offices and Port Commission room, is consistent with the Waterfront Plan's designation of acceptable land uses for the Ferry Building, including commercial uses such as assembly and entertainment, general offices, retail and recreation uses, visitor services, and public access; and

WHEREAS, Waterfront Plan policies that emphasize the civic importance of the area and encourage waterfront activities that serve San Franciscans and visitors alike are supported by the Ferry Building Project's ground level public-oriented commercial retail uses; and

WHEREAS, the Ferry Building Project's ground level passages implement the Waterfront Plan objective of improving public connections to the Bay; and

WHEREAS, the Waterfront Plan calls for pursuing a mix of public and private resources to achieve an appropriate quality and mix of uses, which the Port is accomplishing at the Ferry Building by its LDDA and Lease with Ferry Building Investors, LLC, to provide for the rehabilitation and long term maintenance of this historic maritime resource with its associated public access areas; and

WHEREAS, the ground level food-oriented commercial retail and restaurant and bar uses, and the office employment provided in the upper floors, will enhance, complement and benefit the transportation-related functions planned for the Ferry Building consistent with the Waterfront Plan; and

WHEREAS, the Ferry Building project has been designed to support the Waterfront Plan Design & Access policies by preserving and adaptively reusing the Ferry Building, meeting the Secretary of the Interior's Standards, and providing passages to the public access areas surrounding the building and to the Bay; and

WHEREAS, the Ferry Building project is consistent with the San Francisco General Plan's Northeastern Waterfront Plan ("Northeastern Waterfront Plan") objectives and policies designed to contribute to the waterfront's environmental quality, enhance the economic vitality of the Port and the City, preserve the unique maritime character, and provide for the maximum feasible visual and physical access to and along the Bay because the project rehabilitates the Ferry Building and supports adjoining water transit services; and

WHEREAS, the Ferry Building project is consistent with the Northeastern Waterfront Plan's Urban Design policies calling for retention of older buildings of architectural merit or historical significance to preserve the architectural and historical character of the waterfront and ensure the compatibility of new development, and, more specifically calling for retention of the Ferry Building which policies are met by this project's adaptively reusing this historic structure consistent with the Secretary's Standards; and

WHEREAS, The LDDA provides for the Close of Escrow and initiation of construction on the Ferry Building as early as January 2001, in order to accomplish the objectives herein set forth; and

WHEREAS, Ferry Building occupants must vacate the building prior to commencement of its rehabilitation; and

WHEREAS, The Port plans to relocate its offices to Pier 1 in mid-January, and tenants with month-to-month leases have virtually all either vacated the building or signed stipulations committing to vacate before the end of this year; and

WHEREAS, Three tenants have long-term leases extending beyond the contemplated initiation of construction, the World Trade Club, with a lease through June 30, 2004; The National Railroad Passenger Corporation ("Amtrak"), with

a lease through May 30, 2005; and Limbach & Limbach, Inc. ("Limbach"), with a lease through June 30, 2006; and

WHEREAS, the Port's lease with Amtrak includes provisions for the Port to relocate Amtrak to the Agriculture Building during the rehabilitation of the Ferry Building., and the Port has provided Amtrak with the 180 notice of relocation provided for in its lease; and

WHEREAS, the Developer and Limbach have reached an agreement on Limbach's relocating from its premises within the Ferry Building in early 2001; and

WHEREAS, the Developer and the World Trade Club have had many discussions, accompanied in many instances by representatives of the Port, but have not been able to negotiate an agreement under which the World Trade Club would relocate from its premises within the Ferry Building; and

WHEREAS, the LDDA provides that if the Developer is unable to obtain the termination or relocation of the World Trade Club by the Close of Escrow, it is treated as a force majeure and extends the date of the Close of Escrow until July 31, 2004.

WHEREAS, the opportunity to preserve and restore the Ferry Building may be lost if the rehabilitation work and lease-up is not accomplished during the current strong market cycle; and

WHEREAS, achieving the public benefits herein set forth would be jeopardized if the World Trade Club does not vacate its premises within the Ferry Building until July 31, 2004; no therefore, be it

RESOLVED, that the Port Commission hereby urges the Board of Supervisors, after appropriate notice and due consideration, to adopt a Resolution of Necessity in order to acquire the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in the Lease between the Port and the World Trade Club dated June 26, 1974, as amended on May 19, 1980 (First Amendment), June 13, 1980 (Second Amendment) and March 10, 1986 (Third Amendment); and be it further

RESOLVED, that the acquisition of the Property by eminent domain is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; and be it further

RESOLVED That acquisition of the Property by eminent domain is necessary for the public use of the City for the public purposes accomplished by the historic rehabilitation and renovation of the Ferry Building, as more particularly described herein and under the Port Commission's Action in Resolution 99-67 approving the format and substance of the Lease Disposition and Development Agreement and the Ground Lease with Ferry Building Investors, LLC; and be it further;

RESOLVED, That the Port has made the offers to the owners of record of the Property as required by California Government Code Section 7267.2; and be it further

RESOLVED, That, as provided under Sections 37350.5, 37351, 37352, 37361, and 40404 of the California Government Code, and Sections 1240.010 through 1240.050 inclusive and Section 1240.680, of the California Code of Civil Procedure, which authorize the City by eminent domain for the purposes of historic rehabilitation and renovation of the Ferry Building, as more particularly described herein and under the Port Commission's Action in Resolution 99-67, the Port urges the Board of Supervisors to authorize and direct the City Attorney to commence proceedings in eminent domain against the owners of the property for the condemnation thereof for the public use by the City for the public purposes described herein; and be it further .

RESOLVED, That the Port Commission authorizes the Executive Director to take all such further action as may be necessary to implement the purpose of this resolution, including, without limitation, entering into such additional assurances, documentation or other agreements with the Developer or WTC to acquire or facilitate the acquisition of the WTC leasehold, and to facilitate the payment to WTC for its leasehold interest (but only to the extent that such amounts are covered and paid by the Developer on behalf of the Port pursuant to its indemnity or other agreements made pursuant to the LDDA), and be it further

RESOLVED, that based on the foregoing, the Port Commission hereby finds that: (1) an action of eminent domain to acquire the WTC leasehold is within the scope of the project analyzed in the Final Negative Declaration for the Ferry Building Project, case file no. 94.684E and the eminent domain action does not raise any important new issues or raise any new significant effects on the environment; (2) no changes are proposed or have occurred in the Projects that would require major revisions to the Negative Declaration or the preparation of an EIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; (3) no substantial changes have occurred with respect to the circumstances under which the Projects are being undertaken that would require major revisions to the Negative Declaration or the preparation of an EIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects; and (4) no new information of substantial importance has become available since the Negative Declaration was certified indicating that: (a) the Project will have one or more significant effects;; (b) mitigation or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Projects; (c) mitigation measures or alternatives which are considerably different from those analyzed in the Negative Declaration would substantially reduce one or more significant effects on the environment.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 9, 2000.

_____
Secretary

November 9, 2000

FERRY BUILDING AREA PLAN IMPLEMENTATION

The San Francisco Port Commission has undertaken the following actions in furtherance of an overall program of harbor development for the Ferry Building Area consistent with Waterfront Plan policies and objectives:

To *"[p]reserve and restore historic structures on the Ferry Building Waterfront, both to recall the area's historic use and to accommodate new uses"* the Commission has (1) expended over $1 million on predevelopment analysis for the historic preservation of the Ferry Building; (2) entered into a Lease Disposition and Development Agreement and a Ground Lease with a competitively selected development team for the Ferry Building renovation consistent with Secretary of the Interior's Standards for Rehabilitation; (3) competitively selected a developer, AMB Property Corporation, for the historic preservation and adaptive reuse of Pier 1; (4) obtained approval for listing the Pier 1 bulkhead building and piershed on the National Register of Historic Places; (4) received Pier 1 certification, or approval, for conformance with the Secretary of the Interior's Standards for Rehabilitation and for Federal Historic Preservation Tax Incentives (20% rehabilitation tax credit); (5) authorized conveyance of the Pier 1 site to the developer, who will complete the rehabilitation about the end of this year; and (6) issued a Request For Proposals seeking a developer for the rehabilitation of the historic buildings at Piers 1 1/2-3-5, consistent with the Secretary of the Interior's Standards for Rehabilitation, to which three development teams have responded with proposals currently being analyzed by Port staff and consultants.

To "[*p]rovide maritime facilities for ferry and excursion boats, recreational boats, historic ships, and ceremonial berthing*" the Commission has (1) committed $17 million to fund Phase I of the Downtown Ferry Terminal Project, which adds two ferry berths, provides seismically secure access to those two and four other existing berths, and with Phase II, to be implemented as demand warrants, will add another four ferry berths; (2) endorsed the Bay Area Water Transit Initiative; (3) entered into a lease through 2012 with Hornblower Dining Yachts at Pier 3 to improve excursion boat opportunities in the Ferry Building area; (4) amended its related lease with Hornblower for the Santa Rosa, also through 2012, to assure the continued presence of the historic ferry boat Santa Rosa at Pier 3; and (5) has reserved to the Port the ability to control berthing of vessels for emergency, ceremonial and other purposes; and

To "[*p]rovide a mix of uses that emphasizes the civic importance of the area, generates waterfront activity and serves San Franciscans and visitors alike*" the Commission has: (1) dedicated land and entered into agreements with the City for the construction of the Mid-Embarcadero Improvements, the most important of which are a world-class public plaza on the land side of the Ferry Building and the extension of the Municipal Railway's F Line to improve public access by providing an inviting and efficient light rail link along the waterfront in historic American and European streetcars; (2) selected a development team for the Ferry Building in order to establish a mix of public, retail, and commercial activities on

the ground floor which will attract the public to use waterborne transportation at the Downtown Ferry Terminal and to enjoy the San Francisco waterfront, with commercial office uses in the upper floors to support the overall program; (3) solicited development proposals for Piers 1 1/2-3-5 to create ground level uses that would attract the public to enjoy the waterfront; and (4) promoted waterborne transit and recreation through its commitments to ferry service, excursion and historic boats in the area; and

To *"[e]xtend the Port Walk through the area, providing more convenient, direct and aesthetically pleasing public access connections to open space areas and the Bay*" the Commission has: (1) obtained a BCDC permit for Phase I of the Downtown Ferry Terminal Project which allows for a new public passageway through the Ferry Building from The Embarcadero, and creates continuous perimeter public access around the Ferry Building linking all ferry berths for a total of 36,000 square feet of new public access linking the Embarcadero Promenade (Herb Caen Way) and the Bay, (2) completed State and Federal environmental and historic preservation reviews for Phase II of the Ferry Terminal which will add another 34,000 square feet of new public access linking Herb Caen Way and the Bay, (3) obtained a BCDC permit for Pier 1 which creates continuous pier perimeter public access and two segments of a "Bayside History Walk" within the building, for a total of 44,000 square feet of new public access linking the Embarcadero Promenade (Herb Caen Way) and the Bay, and (4) issued a Request For Proposals for Piers 1 1/2-3-5 with public access objectives to extend the Bayside History Walk from Pier 1 to Pier 7, adding another 10,000 square feet of new public access linking Herb Caen Way and the Bay, ensuring significant new public access consistent with the Port's Waterfront Plan; and

To *"[r]estore the Ferry Building Waterfront as a major transit center by improving transit access and transfers among water and land transportation modes*" the Commission has: (1) dedicated public access and undertaken the Downtown Ferry Terminal improvements described above, (2) promoted intermodal transit connections by incorporating Amtrak's San Francisco station into first the Ferry Building and presently the Agriculture Building, (3) assisted the Golden Gate Bridge, Highway and Transportation District and the City of Vallejo in providing landside bus service in association with their ferry operations, and (4) has worked with the City and County of San Francisco ("City") to provide the historic streetcar "F-Line" in the median of The Embarcadero, the adjoining bicycle lanes, the generous Herb Caen Way pedestrian promenade, and the trackage connection between the F-Line and the MUNI Metro extension on The Embarcadero to enable a future "E-Line" running the length of The Embarcadero; and

To "*[p]rovide efficiently planned parking and loading facilities to serve new activities in the area*", the Commission has: (1) included parking, loading and passenger pick-up/drop-off bays on The Embarcadero, (2) requested subsurface rights from the City for an underground parking garage adjoining Justin Herman Plaza in Assessor's Block 202, (3) incorporated continuation of existing parking in its planning for future uses at Seawall Lot 351 at Washington Street and The Embarcadero, and (4) requested use of City-controlled parking spaces at the nearby One Maritime Plaza Garage; and

To *"[p]hysically and visually integrate the Ferry Building and environs with their spectacular City and Bay settings*", the Commission has approved a Mid-Embarcadero design that creates strong connection with the adjoining Financial District and improved public access from Market Street to the Bay, with improvements such as decorative lighting, paving, railings, benches and other amenities to enhance the connections with the Bay; and

To *"[p]ursue a mix of public and private resources to achieve an appropriate quality and mix of uses*", the Commission (1) has pursued the above-cited improvements for the Downtown Ferry Terminal Project and Embarcadero Roadway Project, (2) has entered into the above-cited leases with Hornblower Dining Yachts, (3) has helped expedite the selected Pier 1 developer's efforts such that the developer for Pier 1 has nearing completion of construction to provide the Port with publicly-accessible offices while continuing the existing café use and historically rehabilitating this maritime resource for other office activity, and (4) has moved forward with efforts to encourage private investment in the historic rehabilitation of the Ferry Building, Pier 1 and Piers 1 1/2-3-5 to achieve maximum public use and the highest and best use in the public interest.

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SAN FRANCISCO
PORT COMMISSION

NOVEMBER 9, 2000
MINUTES OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
NOVEMBER 9, 2000

1. ROLL CALL

Commission Vice President Brian McWilliams called the meeting to order at 1:30 p.m. The following Commissioners were present: Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee. Commissioner Brandon was not present.

2. EXECUTIVE

A. Executive Director's Report: Mr. Wong reported the following:

- Approval of State Grant for the Downtown Ferry Terminal Public Pier. The State Coastal Conservancy recommended a $500,000 grant for construction of public access on top of the South Ferry Terminal breakwater. The breakwater is currently under construction on the south side of the Agriculture Building. The 515-foot breakwater will protect the boats docking at the South Terminal from winter storm surge. The Port lacked funds to build public access component of the breakwater as part of the Downtown Ferry Terminal project but was included in the design so it could be added at a later time. The State Coastal Conservancy grant enables the Port to make the breakwater accessible for the enjoyment of unobstructed views of the Bay Bridge and Treasure Island. Port staff will seek additional grants to fully fund the $1.5 million cost of this public access. The Coastal Conservancy's Board will act on this in the spring. Port staff will present a resolution to the Commission accepting this funds early next year.

- The South Terminal is scheduled for completion at the end of December. The North Terminal is scheduled for completion in January 2001. Port staff will begin planning the opening celebrations in the next few weeks because there are so many local, state and federal agencies and officials that help bring this $16 million project to fruition.

3. PLANNING & DEVELOPMENT

A. Authorization to commence planning, design and engineering work and to establish priority of additional funding in the amount of $1.6 million in the Port's Capital Plan budget for the construction of improvements for fishing industry uses in Pier 45 Shed C. (Resolution No. 00-87)

Kirk Bennett, Waterfront Development Projects Manager, presented the item and requested Commission's approval.

Dan Strazzullo, All Shores Seafood, suggested that Port staff examine the flaws created on Sheds B&D while planning work on Shed C. Part of the problem would be parking since a lot of the Pier 45 tenants are using Shed C for that purpose. The trucks that unload fish block access to the area. He suggested that staff talk to the people who are moving into the pier as they would be more knowledgeable about their needs as well as the tenants at Pier 45 as they would be able to relate their experience with the parking flaws.

Charlie Akwa, tenant at Pier 45, indicated that while she supports the resolution she feels that careful planning and input from a variety of sources is needed in order to turn Shed C into a viable facility for the seafood industry. She urged the Commission to include some of the present tenants in Sheds B & D in this process to help give staff an insight into the design flaws in their buildings that have caused many of them to spend additional money unnecessarily to develop their facilities. As well as identifying the potential tenants and working with them to help minimize the financial burden that building a facility entails. A bare bones facility built to comply with all the regulatory provisions would cost at least $250,000 - $300,000. The Port needs to have a better understanding of the true nature of their business from the regulatory standpoint as well as the practical standpoint to the day-to-day operation of the seafood company so that these facilities and the new tenants who occupy them can exist harmoniously with the businesses that area already there. Most importantly, she urged the Commission to include the Regional Water Quality Control Board in this process because of the Port's failure to adequately understand the nature of their business, Sheds B & D were designed without proper consideration for water quality issues and because of this, the Port is now under intense scrutiny from this agency and has caused many of its tenants to obtain storm water permits at a cost of $600 annually and encumbered them with monitoring requirements which could have been minimized or eliminated. A comprehensive plan to provide for adequate parking for employees and space for the unloading and loading tractor-trailers is paramount if this project is to succeed.

Mike Berline, member of the Pier 45 Advisory Committee, indicated that in 1996 when it became apparent that something was wrong with the Pier 45 parking plan, the Port provided the Committee with a material handling consultant. Fish processing is largely a material handling operation. Rajappan & Meyer Consulting Engineers did a comprehensive report that the Committee enthusiastically endorsed. Rajappan & Meyer discussed a full range of issues, which are being brought up again today such as truck signage needs, truck flow and wharf pedestrian traffic. The method of the truck circumnavigating the triangle had to be designed as well as the layout for the shed. There is a working knowledge of the sanitary and operational mechanics to implement the schematic plan. The combination of the Rajappan & Meyer schematic and Shed B&D experience greatly simplifies the implementation of Shed C. Mr. Berline asked the Commission to refrain from doing another study or having new set of consultants or historical evaluation. He asked the Commission if the advisory committee would be given the opportunity to provide the 1996 schematic design to the Port's engineering staff and find out if it is feasible. Time save would be beneficial to the fish processors.

Tom Creedon, Chair of the Fisherman's Wharf Waterfront Advisory Group, gave his support of the people's concerns with the fine points of making this project operational and was pleased to hear that the project is moving forward.

With regard to the Wharf J-10 and the fish alley area, they have spent considerable amount of time doing historic resource study and have determined the historic value and future uses. At one time in the recent past, every single tenant approached the Port with a concern about either changing the use or remodeling. Mr. Creedon asked the Commission to direct the Executive Director to prepare a resolution for consideration by the Commission at its next meeting which would establish a moratorium on any lease transaction in the fish alley area, SWL 302 and 303, until a current planning process has been completed. He also requested that no lease transaction be done until the Port Commission has reviewed the proposed resolution.

Commissioner McWilliams asked Mr. Creedon to provide the Commission a copy of his request in writing so the Commission can act accordingly.

Ernestine Weiss approved of the resolution as the fishing industry is an integral part of the Port. She urged the Commission to look at the parking and delivery truck situation. She also asked the Commission to take into consideration the environmental concerns with regard to wastewater. She asked if there are plans for a retail operation at Pier 45, Shed C .

Mr. Bennett replied that there would not be a retail store at Shed C. This facility is designed for fish processing and wholesaling only. Retail is available in the Fish Alley which is more accessible to the public. Shed C is an industrial zone, quite distant from the public.

Al Baccari, representing the Fisherman's Wharf Association, applauded the Port Director and staff for having the vision of doing something for the fishing industry. A study has already been done which is in keeping with the Burton Act. There are studies and plans dealing with traffic. He applauded the tenants for their suggestions and ideas. He was confident that the Commission's decision would be noteworthy of moving forward. Staff worked very hard to obtain the $1.6 million from the capital plan for this project. This action showed that the Port is committed to keep the fish on the waterfront and at Fisherman's Wharf.

Mr. Baccari indicated that although Port staff has worked very hard, the Port has not made any official commitment of keeping fish processing at fish alley. He thanked staff for the efforts provided to the tenants at fish alley. The concept of a moratorium that Mr. Creedon alluded to is important. When the study is completed, there will be direction from the Port with regard to the preservation of the fish industry. The five alternative solutions would be evaluated. He hoped that the Commission would then take a position to keep the fish processing operation at fish alley.

Commissioner Lee asked if the structural work was included in the $3.9 million remodeling cost. Mr. Bennett replied that the construction of Sheds B & D actually cost $6 million. The money was spent to modernize the fish processing facility.

In 1994, a $7.6 million project was funded by FEMA/OES which corrected and retrofitted the structure of the entire pier, Sheds A, B, C, D and the valley. The structure has been brought up to current seismic code. The $3.9 million project was for the additional infrastructure beyond the structure necessary for this facility to provide modern fish processing facilities.

Commissioner McCarthy asked Mr. Bennett and staff to take into consideration the comments made by all the speakers in encouraging as many of the current tenants as well all the regulatory agencies to get involved in the project. She encouraged all existing and prospective Pier 45 tenants to get involved and be part of the whole process.

Mr. Bennett indicated that Pier 45 Shed C is the only modern fish processing facility built in the last few years in the United States. Mistakes were made and lessons learned. The Pier 45 Advisory Group was established for the purpose of working out the problems with the operators on Pier 45 and other members of the community. Keith Meyer, a consultant, was brought in and pointed out some of the issues that the Port would have to grapple with regard to the design of Shed C. Port staff will perform additional focus interviews with existing and prospective tenants to get their input. The FWWAG will be very involved in this process as well.

Commissioner McCarthy indicated that once you're involved with the process, it helps from the Commission's and the staff's point of view when things don't go right. It is more compelling if you've been part of the process. She encouraged Charlie Akwa and Dan Strazzullo to be involved to ensure that the new tenants adhere to the process so everything will run smoothly.

With regard to Tom Creedon's request of having staff prepare a resolution for the Commission's consideration at its next meeting, Commissioner McWilliams asked Mr. Creedon to provide the Commission and staff a copy of the information he alluded to as well as the schematic plan that was prepared a few years ago in order for the Commission to make an informed decision.

Commissioner McCarthy added that because this item is not on the agenda, the Commission could not discuss it any further but concurred with Commissioner McWilliams' comments and directed staff to be mindful of the Port's commitment to the planning process at fish alley.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution 00-87 was adopted.

B. Resolution urging the Board of Supervisors, after appropriate notice and due consideration, to adopt a Resolution of Necessity in order to acquire the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in Lease L-8562 between the Port and the World Trade Club. (Resolution No. 00-86)

Mr. Alec Bash, Waterfront Planner – Special Projects, presented the item and requested Commission's approval. Mr. Bash mentioned that the Port made an offer to the World Trade Club last week. The WTC, in turn, made a counter-offer and discussions are underway. Although there has been significant progress, an agreement has not been reached.

Mr. Bash made a correction on page 5 of the resolution, from 50 million passengers per day to 50 million passengers annually.

Conrad Breece, World Trade Club Board Member and Attorney for WTC, indicated that they are in active and constant negotiations with the developer and the Port. They are confident that they will reach an agreement that would alleviate the need for this resolution.

Tom Hoffman, Legal Counsel representing World Trade Club, reiterated Mr. Breece's comments and urged the Commission not to adopt the resolution at this time. There are negotiations actively underway and progress has been made. They received the Port's offer to acquire the leasehold and WTC made a counter-offer. They hope that the Commission does not proceed with the condemnation at this point. If the Commission elect to adopt the resolution and the City proceeds with the condemnation, they reserve all their rights to contest both the right of the City to exercise eminent domain authority under these circumstances and the amount of compensation that has been offered to date for the WTC's interests and its leasehold and the related goodwill of its business. He hoped that the negotiations that are currently underway would prove successful.

Commissioner Lee inquired about the World Trade Club's counter offer. Legal Counsel Neil Sekhri pointed out that the parties are in a settlement negotiation. If the parties reach an agreement, this resolution of condemnation could be abandoned at any time. If the parties reach an agreement, staff would bring it to the Port Commission for approval.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution 00-86 was adopted.

4. NEW BUSINESS / PUBLIC COMMENT

Ernestine Weiss brought up the subject of the highly discussed Titanic operation. She hoped that the Commission would give its full consideration of its impact to the waterfront.

5. ADJOURNMENT

The meeting was adjourned at 2:12 p.m.

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SAN FRANCISCO
PORT COMMISSION

SPECIAL MEETING – *Please Note Date & Time of the Meeting*
8:30 A.M., MONDAY, NOVEMBER 20, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

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AGENDA

1. **ROLL CALL**

2. **NEW BUSINESS / PUBLIC COMMENT**

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

3. **EXECUTIVE SESSION**

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: World Trade Club
Person Negotiating: Port of San Francisco: Alec Bash, Port Planner, Special Projects
*World Trade Club: Conrad Breece

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the World Trade Club for premises located in the Ferry Building.

b. Property: Limbach & Limbach
Person Negotiating: Port of San Francisco: Alec Bash, Port Planner, Special Projects
*Limbach & Limbach: Michael Stallman

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Limbach & Limbach for premises located in the Ferry Building.

4. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

5. PLANNING & DEVELOPMENT

A. Approval of:

- Lease Termination Agreement with World Trade Club of San Francisco for leased premises located in the Ferry Building/World Trade Center. (Resolution No. 00-95)

- Consent to Assignment and Amendment of Leases assigning Port Lease No. L-8010 and related leases with Limbach & Limbach, LLP to Ferry Building Investors, LLC for leased premises located in the Ferry Building/World Trade Center. (Resolution No. 00-96); and

- Reconsideration of recommendation to Board of Supervisors to adopt a Resolution of Necessity to proceed with acquisition of the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in Lease L-8562 between the Port and the World Trade Club. (Resolution No. 00-97)

6. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

NOVEMBER/DECEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
November 20 *(Special)*	8:30 a.m.	Port Commission	Port Commission Room Ferry Building
November 21 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building
December 12 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
December 20 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Shawna Horde	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

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MEMORANDUM

November 16, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of :

(1) Lease Termination Agreement with World Trade Club of San Francisco for leased premises located in the Ferry Building/World Trade Center (Resolution No. 00-95)

(2) Consent to Assignment and Amendment of Leases assigning Port Lease No. L-8010 and related leases with Limbach & Limbach, LLP to Ferry Building Investors, LLC for leased premises located in the Ferry Building (Resolution No. 00-96; and

(3) Reconsideration of recommendation to Board of Supervisors to adopt a Resolution of Necessity to proceed with an eminent domain action against the World Trade Club (Resolution No. 00-97).

By Resolution No. 99-67, the Port Commission approved the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Ferry Building Lease") with Ferry Building Investors, LLC ("Developer"), for the historic rehabilitation of the Ferry Building. Under the terms of the LDDA, dated as of January 24, 1999, the Port and FBI have agreed to enter into the Ferry Building Lease for the entire Ferry Building upon satisfaction of certain conditions precedent. Because the Ferry Building must be vacated to allow for the timely and efficient redevelopment thereof, one of the conditions precedent was the termination of certain long-term leases for the Ferry Building, including leases between the Port and the World Trade Club of San Francisco ("WTC") and between the Port and Limbach & Limbach.

This Print Covers Calendar Item No. **5A**

Pursuant to the LDDA, the Port is responsible for relocating or terminating the tenancies of all but three major tenants at the Ferry Building, and FBI is responsible for relocating or terminating the leasehold interests of the remaining three tenants at the Ferry Building, including WTC and Limbach.

As of the last Port Commission meeting, no agreement had been reached with WTC for the termination or relocation of their lease in the Ferry Building. Consequently, based on the findings therein, the Port Commission adopted Resolution No. 00-86, urging the Board of Supervisors to adopt a Resolution of Necessity in order to acquire the interests of the WTC in the Ferry Building.

Since the last Commission meeting, FBI has reached agreements with both WTC and Limbach under which WTC and Limbach have both agreed to vacate the Ferry Building to allow for commencement of the Ferry Building rehabilitation project under the Ferry Building Lease. However, such agreements are predicated upon actions by the Port Commission approving certain agreements, as described below.

WORLD TRADE CLUB LEASES

The Port and WTC are parties to Lease No. L-8562 and related month-to-month storage and space leases and licenses for space in the Ferry Building/World Trade Center (the "WTC Leases"). WTC has agreed that, in consideration of certain accommodations under the WTC Leases by the Port and certain other obligations of the Port described below, as well as to effect the buyout of their WTC Lease by FBI, WTC will enter into a Lease Termination Agreement with the Port to terminate the WTC Leases. Pursuant to the Lease Termination Agreement, WTC will vacate all of the premises subject to the WTC Leases and deliver possession to the Port no later than March 31, 2001.

The material terms of the Lease Termination Agreement with WTC are as follows:

- WTC will cease all operations in the Ferry Building on or before February 28, 2001. The WTC Leases will terminate and WTC will vacate the entire Ferry Building premises no later than on March 31, 2001.

- WTC shall pay all base rent owed under the Leases through December 31, 2000; the Port will waive base rent from January 1, 2001-March 31, 2001.

- If WTC defaults in its obligations, the Port will be entitled to file a Stipulation for Entry of Judgment, which will allow Port immediate possession of the premises without having to litigate an unlawful detainer proceeding, and WTC will indemnify Port for any losses as a result of the WTC default.

- FBI will give the Port a written Notice to Proceed on November 20, 2000, notifying the Port that FBI is ready to proceed with Close of Escrow on the Ferry Building.

Obligations for New Port Lease

- Port will consider in good faith requests made by WTC to lease or sublease alternative Port premises.

- If WTC makes a request for alternative Port space within 12 months after the WTC Lease termination, the Port will consider in such alternative leasing request the non-profit international trade operations of the WTC in setting base rent, including a possible waiver of percentage rent.

- If WTC reaches an agreement for the assignment or sublease of the Gabbiano's space, Port will waive percentage rent for so long as WTC continues to operate as a non-profit corporation providing services to the international trade community.

- If WTC enters into a lease or sublease of Port property, Port will waive permit fees for new construction or rehabilitation of alternative leased premises.

- If WTC makes a request for alternative Port space within 12 months after the WTC Lease termination and enters into a lease or sublease of such Port property requiring new construction or rehabilitation of the premises, Port will waive base rent for the construction period, not to exceed 1 year or $154,736.00 (the amount of rent payable under the Gabbiano's lease).

- The parties release each other from all future claims (other than claims for which WTC is obligated under the WTC Leases), including rights for relocation.

LIMBACH LEASES

The Port and Limbach are parties to Lease No. L-8010 and related month-to-month space and storage leases and licenses (the "Limbach Leases"). In furtherance of its obligations under the Ferry Building LDDA, the Port has served termination notices for Limbach & Limbach's month-to-month leases in the Ferry Building. Limbach has agreed to vacate the Ferry Building no later than February 28, 2001, and to assign the Limbach Leases to FBI pursuant to an agreement between FBI and Limbach.

As a condition to the effectiveness of the agreement between Limbach and FBI, FBI has asked the Port to consent to the assignment of the Limbach Leases to FBI. FBI has also requested the Port to allow Limbach to retain all income derived from any subsequent subleasing or assignment of the Limbach Leases in excess of the rent due to the Port under the Limbach Leases.

The Port would receive the following significant benefits by agreeing to the assignment

1. Limbach will agree to vacate the building on or before February 28, 2001.

2. As a condition to the assignment, FBI will agree that the Limbach lease (due to expire on June 30, 2006) will expire co-terminously with the term of the World Trade Club lease (due to expire on June 30, 2004, or earlier as provided for by the November 20, 2000 Notice to Proceed for the Close of Escrow on the Ferry Building). If the Ferry Building rehabilitation project does not occur for some reason, the termination in 2004 is a tremendous benefit to the Port by returning this below-market lease to the Port's control a full two years before its scheduled termination in 2006.

3. The Port will not be liable for relocation expenses for the month-to-month space and storage leases.

RECONSIDERATION OF RESOLUTION URGING BOARD OF SUPERVISORS TO ADOPT A RESOLUTION OF NECESSITY

Approval of the WTC Lease Termination Agreement will create an enforceable agreement whereunder the WTC will vacate the Ferry Building by March 31, 2001. Therefore, the City will not be required to exercise its eminent domain powers to acquire the leasehold. Port staff recommends that the Port Commission adopt the attached Resolution No. 00-97, requesting that the Board of Supervisors cease from proceeding with any acts necessary for the City to acquire WTC's interest in Lease L-8562.

RECOMMENDATION

FBI, Limbach and WTC have all agreed on the terms under which both Limbach and WTC will have fully vacated the Ferry Building as of March 31, 2001. FBI intends to submit their 120-day notice to proceed with Close of Escrow on November 20, 2000. The Port Commission's approval of the WTC Lease Termination Agreement, and the Consent to the Assignment of the Limbach Leases will resolve all of the issues involved in the WTC and Limbach leases, and will allow for delivery of the Ferry Building Lease to FBI, and commencement of payment to the Port of the $116,667.00 in monthly rent possibly as early as March 1, 2001. Therefore, Port staff recommends that the Port Commission approve the attached resolutions.

Prepared by: Neil Sekhri

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-95

WHEREAS, By Resolution No. 99-67, the Port Commission approved the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Ferry Building Lease") with Ferry Building Investors, LLC ("FBI"), for the historic rehabilitation of the Ferry Building, and

WHEREAS, Under the terms of the LDDA, dated as of January 24, 1999, the Port and FBI have agreed to enter into the Ferry Building Lease for the entire Ferry Building upon satisfaction of certain conditions precedent; and

WHEREAS, by Resolution No. 1140-99, the Board of Supervisors approved the Lease with FBI and further authorized the Port's Executive Director and any other appropriate officers, agents or employees of the City to take any and all steps as they or any of them deemed necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions under the Ferry Building Lease and LDDA; and

WHEREAS, Because the Ferry Building must be vacated to allow for the timely and efficient redevelopment thereof, one of the conditions precedent under the LDDA was the termination of certain long-term leases for the Ferry Building, including leases between the Port and the World Trade Club of San Francisco ("WTC"); and

WHEREAS, Pursuant to the LDDA, the Port is responsible for relocating or terminating the tenancies of all but three major tenants at the Ferry Building, and FBI is responsible for relocating or terminating the leasehold interests of the remaining three tenants at the Ferry Building, including WTC; and

WHEREAS, FBI and WTC have informed the Port that they have reached an agreement under which WTC has agreed to vacate the Ferry Building to allow for commencement of the Ferry Building rehabilitation project under the Ferry Building Lease, which agreement is predicated upon actions by the Port Commission approving the terms of a Lease Termination Agreement, the material terms of which are set forth in the Memorandum to Port Commissioners, for Calendar Item No. 5A for the Special Meeting of November 20, 2000; and

WHEREAS, resolution of negotiations between WTC, the Port and FBI is necessary to achieve the public interest in the timely historic rehabilitation of the Ferry Building; and

WHEREAS, public disclosure of draft agreements setting forth the parties' positions for a period of at least 10 days prior to final resolution would have unavoidably and substantially harmed the public interest by disrupting the sensitive negotiations necessary for the parties' to reach such resolution; now therefore, be it

RESOLVED, that the Port Commission hereby authorizes and directs the Executive Director to enter into a Lease Termination Agreement, terminating Port Lease No. L-8562 and all of WTC's other leases, licenses and rights to possession of premises within the Ferry Building/World Trade Center, on the terms set forth in the Memorandum to Port Commissioners, for Calendar Item No. 5A for the Special Meeting of November 20, 2000, and substantially in the form on file with the Port Commission Secretary for this item; and be it further

RESOLVED, that the Executive Director or his designee is hereby authorized and directed to take any and all steps as he deems necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions contemplated under this Resolution.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 20, 2000.

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-96

WHEREAS, By Resolution No. 99-67, the Port Commission approved the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Ferry Building Lease") with Ferry Building Investors, LLC ("FBI"), for the historic rehabilitation of the Ferry Building. Under the terms of the LDDA, dated as of January 24, 1999, the Port and FBI have agreed to enter into the Ferry Building Lease for the entire Ferry Building upon satisfaction of certain conditions precedent; and

WHEREAS, by Resolution No. 1140-99, the Board of Supervisors approved the Lease with FBI and further authorized the Port's Executive Director and any other appropriate officers, agents or employees of the City to take any and all steps as they or any of them deemed necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions under the Ferry Building Lease and LDDA; and

WHEREAS, Because the Ferry Building must be vacated to allow for the timely and efficient redevelopment thereof, one of the conditions precedent under the LDDA was the termination of certain long-term leases for the Ferry Building, including leases between the Port and Limbach & Limbach, LLP ("Limbach"); and

WHEREAS, Pursuant to the LDDA, the Port is responsible for relocating or terminating the tenancies of all but three major tenants at the Ferry Building, and FBI is responsible for relocating or terminating the leasehold interests of the remaining three tenants at the Ferry Building, including Limbach; and

WHEREAS, FBI and Limbach have informed the Port that they have reached an agreement under which Limbach has agreed to vacate the Ferry Building to allow for commencement of the Ferry Building rehabilitation project under the Ferry Building Lease, which agreement is predicated upon actions by the Port Commission approving the terms of a Consent to Assignment and Amendment of Leases, the material terms of which are set forth in the Memorandum to Port Commissioners, for Calendar Item No. 5A for the Special Meeting of November 20, 2000; and

WHEREAS, resolution of negotiations between Limbach, the Port and FBI is necessary to achieve the public interest in the timely historic rehabilitation of the Ferry Building; and

WHEREAS, public disclosure of draft agreements setting forth the parties' positions for a period of at least 10 days prior to final resolution would have unavoidably and substantially harmed the public interest by disrupting the sensitive negotiations necessary for the parties' to reach such resolution; now therefore, be it

RESOLVED, that the Port Commission hereby authorizes and directs the Executive Director to execute the Consent to Assignment and Amendment of Leases affecting Port Lease No. L-8010 and such other of Limbach's leases, licenses and rights to possession of premises within the Ferry Building/World Trade Center described therein, on the terms set forth in the Memorandum to Port Commissioners, for Calendar Item No. 5A for the Special Meeting of November 20, 2000, and substantially in the form on file with the Port Commission Secretary for this item; and be it further

RESOLVED, that the Executive Director or his designee is hereby authorized and directed to take any and all steps as he deems necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions contemplated under this Resolution.

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-97

WHEREAS, By Resolution No. 99-67, the Port Commission approved the form and substance of the Lease Disposition and Development Agreement ("LDDA") and Ground Lease ("Ferry Building Lease") with Ferry Building Investors, LLC ("Developer"), for the historic rehabilitation of the Ferry Building. Under the terms of the LDDA, dated as of January 24, 1999, the Port and FBI have agreed to enter into the Ferry Building Lease for the entire Ferry Building upon satisfaction of certain conditions precedent; and

WHEREAS, by Resolution No. 1140-99, the Board of Supervisors approved the Lease with FBI and further authorized the Port's Executive Director and any other appropriate officers, agents or employees of the City to take any and all steps as they or any of them deems necessary or appropriate, in consultation with the City Attorney, in order to consummate the transactions under the Ferry Building Lease and LDDA; and

WHEREAS, Because the Ferry Building must be vacated to allow for the timely and efficient redevelopment thereof, one of the conditions precedent under the LDDA was the termination of certain long-term leases for the Ferry Building, including leases between the Port and the World Trade Club of San Francisco ("WTC"); and

WHEREAS, Pursuant to the LDDA, the Port is responsible for relocating or terminating the tenancies of all but three major tenants at the Ferry Building, and FBI is responsible for relocating or terminating the leasehold interests of the remaining three tenants at the Ferry Building, including WTC; and

WHEREAS, In order to achieve the timely historic rehabilitation of the Ferry Building, at a Special Meeting held on November 9, 2000, the Port Commission adopted Resolution No. 00-86, urging the Board of Supervisors to adopt a Resolution of Necessity in order to acquire the interests of the WTC in the Ferry Building because, at the time, there was no agreement with WTC for the termination or relocation of their lease in the Ferry Building; and

WHEREAS, Since the November 9, 2000 Commission meeting, FBI and WTC have informed the Port that they have reached agreement and WTC has provided Port with an executed Lease Termination Agreement that the Port Commission has approved by Port Resolution No. 00-95, under which WTC has agreed to vacate the Ferry Building/World Trade Center on or before March 31, 2001 to allow for commencement of the Ferry Building rehabilitation project under the Ferry Building Lease; and

WHEREAS, due to WTC's agreement to terminate its rights to possession under its leases of the Ferry Building/World Trade Center (the "WTC Leases"), there no longer exists the necessity for the City to acquire WTC's interests thereunder; now, therefore, be it

RESOLVED, that the Port Commission finds that there is no longer the necessity for the City to acquire the WTC's interest in the WTC Leases, and hereby requests the Board of Supervisors to abandon and cancel any calendared items related to the City's acquisition of the WTC Leases, and to cease any further action necessary to acquire the WTC's interest in the WTC Leases.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 20, 2000.

_____
Secretary

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Special

SAN FRANCISCO
PORT COMMISSION

NOVEMBER 20, 2000
MINUTES OF THE SPECIAL MEETING

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MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
NOVEMBER 20, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 8:30 a.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. NEW BUSINESS / PUBLIC COMMENT

3. EXECUTIVE SESSION

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 8:31 a.m., the Commission withdrew to executive session to discuss the following:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: World Trade Club
Person Negotiating: Port of San Francisco: Alec Bash, Port Planner, Special Projects
*World Trade Club: Conrad Breece

b. Property: Limbach & Limbach
Person Negotiating: Port of San Francisco: Alec Bash, Port Planner, Special Projects
*Limbach & Limbach: Michael Stallman

4. RECONVENE IN OPEN SESSION

At 8:45 a.m., the Commission reconvened in open session.

ACTION: Commissioner McWilliams moved approval not to disclose any information discussed in executive session; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

5. PLANNING & DEVELOPMENT

A. Approval of:

- Lease Termination Agreement with World Trade Club of San Francisco for leased premises located in the Ferry Building/World Trade Center. (Resolution No. 00-95)

- Consent to Assignment and Amendment of Leases assigning Port Lease No. L-8010 and related leases with Limbach & Limbach, LLP to Ferry Building Investors, LLC for leased premises located in the Ferry Building/World Trade Center. (Resolution No. 00-96); and

- Reconsideration of recommendation to Board of Supervisors to adopt a Resolution of Necessity to proceed with acquisition of the interests of the World Trade Club in that portion of the Ferry Building/World Trade Center described in Lease L-8562 between the Port and the World Trade Club. (Resolution No. 00-97)

Mr. Alec Bash, Waterfront Planner- Special Projects, presented the item and requested Commission's approval.

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. Resolutions 00-95, 00-96 and 00-97 were adopted.

The meeting was adjourned at 8:50 a.m.

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PORT COMMISSION

SPECIAL MEETING
3:00 P.M., TUESDAY, NOVEMBER 21, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - November 1, 2000 Special Meeting
   - November 9, 2000 Special Meeting

3. **EXECUTIVE**

   A. Executive Director's Report

   - Status Report on the Pier One Move

4. **REAL ESTATE**

   A. Approval of MOU with Recreation & Park for a skateboard ramp storage at Pier 24 Annex. (Resolution No. 00-94) (Staff report provided to the Commission.)

5. **ENGINEERING & MAINTENANCE**

   A. Authorization to execute Contract Modification No. 2 for Construction Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I", with Power Engineering Contractors. (Resolution No. 00-88) (Staff report provided to the Commission.)

   B. Authorize staff to proceed with the process of vacating portions of the Embarcadero and Folsom Street. (Resolution No. 00-90) (Staff report provided to the Commission.)

   C. Authorization to award Construction Contract No. 2648, "Piers 48 & 50 Fire Protection" to the lowest responsive bidder. (Resolution No. 00-92) (Staff report provided to the Commission.)

   D. Informational Presentation on Wharf J-10.

6. **PLANNING & DEVELOPMENT**

   A. Authorization to enter into a professional services contract with consultant team to evaluate proposals received in response to the Piers 27-31 Mixed Use Recreation Development Project Request for Proposals and to assist with negotiating the development agreement and lease for this development project. (Resolution No. 00-89) (Staff report provided to the Commission.)

B. Approval of Extension of Exclusive Negotiations for Mixed-Use Development at Pier 24½. (Resolution No. 00-91) (Staff report provided to the Commission.)

C. Approval of Memorandum of Understanding between the Port and the Bay Area Sports Organizing Committee (BASOC), in conjunction with the Mayor's Office to include various Port property sites as possible venues for the City's bid to host the 2012 Olympics. (Resolution No. 00-93) (Staff report provided to the Commission.)

D. Informational Presentation on the Use of Warm Water Cove as an Off-leash Dog Park. (Staff reported provided to the Commission.)

7. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

8. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Pier 70
Person Negotiating: Port of San Francisco: Anne Cook, Acting Director, Planning & Development

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss the price and terms to be included in the request for proposals regarding Pier 70.

b. Property: Bryant Street Pier Project
Person Negotiating: Port of San Francisco: Anne Cook, Acting Director, Planning & Development
*Lend Lease: Glenn Elkington

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Bryant Street Pier Project.

c. Property: Pier 40
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Dolph Rempp Sailing Ship: Dolph Rempp

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 40.

d. Property: Pier 1-½, 3 and 5
Person Negotiating: Port of San Francisco: Kirk Bennett, Manager Waterfront Development Projects

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss evaluation of proposals submitted in response to the development RFP for Port property located at Pier 1-½, 3 and 5.

e. Property: Pier 1
Person Negotiating: Port of San Francisco: Kirk Bennett, Manager Waterfront Development Projects
*AMB Property Corporation: Janice Thacher

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 1.

f. Property: Ferry Building
Person Negotiating: Port of San Francisco: Alec Bash, Waterfront Planner, Special Projects
*Wilson Cornerstone: Chris Meany

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding the Ferry Building.

g. Property: Bayfront Park @ Mission Bay
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Catellus: Eric Harrison

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Mission Bay.

h. Property: Pier 45 Shed A
Person Negotiating: Port of San Francisco: Doug Wong, Executive Director

*Malrite: Dennis Barrie

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Pier 45 Shed A.

9. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

10. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

NOVEMBER/DECEMBER 2000
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
November 20 *(Special)*	8:30 a.m.	Port Commission	Port Commission Room Ferry Building
November 21 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building
December 12 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
December 20 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

Fisherman's Wharf Waterfront Advisory Group	Kirk Bennett	274-0545
Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Shawna Horde	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

November 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to execute Contract Modification No. 2 to Contract No. 2658, "Piers 1-½ to 5 Marginal Wharf Repair Phase I," for an additional amount of $301,055.

DIRECTOR'S RECOMMENDATION: AUTHORIZE PORT STAFF TO EXECUTE CONTRACT MODIFICATION NO. 2 TO CONTRACT NO. 2658, "PIERS 1-½ TO 5 MARGINAL WHARF REPAIR, PHASE I," AND AUTHORIZE AN ADDITIONAL 10% CONTINGENCY.

At its May 9, 2000 meeting, the Commission authorized award of Contract No. 2658, "Piers 1-½ to 5 Marginal Wharf Repair, Phase I," to low bidder Power Engineering Contractors, Inc. at a cost of $999,701.00 and authorized a 10% contingency for a total contract award of $1,099,671.00. The work under this contract, as originally intended, was limited to the first bay of marginal wharf from Piers 1-½ to 5. The contract required that the work start on January 1, 2001, the date when the bulkhead buildings along Piers 1-½ to 5 would be vacated.

Subsequent to the award of the contract, the Port determined that it would be necessary to maintain vehicular access to the Pier 3 parking facility and pedestrian access to Pier 3 throughout the construction and after the condemnation date of January 1, 2001. To allow for continuous vehicular and pedestrian access during and after construction, additional contract work was required. Therefore, the Port Commission authorized Contract Modification No. 1 on September 19, 2000, at a cost of $384,710, to include the repair work that would allow continued access to Pier 3.

This Print Covers Calendar Item No. **5A**

Contract Modification No. 2 is required because BCDC has mandated that the Public Access Corridor north of the Pier 3 main entrance be repaired as part of the project. BCDC's requirement came after the Port Commission authorized Contract Modification No. 1. To include the Public Access Corridor, the contract scope must be expanded to include three bays of the marginal wharf repair from grid line 131.9 to grid line 140.1 at Pier 3. This additional scope of work must be completed as part of this repair project.

Port staff has submitted the plans to the contractor and so requested that the Contractor include the required construction testing and inspection in the price for this additional work. The testing and inspection includes shotcrete, cast-in-place concrete, reinforcing steel, reinforcement welding, and pullout testing of drilled dowels. Staff negotiated a price of $301,055 for this work.

The HRC staff has reviewed and approved of this contract modification. With approval of this matter, the total contract award including the contract modifications will be as follows:

Contract Award and Contingency:	$1,099,671
Contract Modification No. 1	384,710
Additional Contingency No. 1	38,471
Contract Modification No. 2	301,055
Additional Contingency No. 2	30,106
Total Amount Authorized	$1,854,013

Therefore, to comply with BCDC requirements and maintain the Public Access Corridor north of the Pier 3 main entrance after the completion of the repair project, Port staff seeks Commission authorization to execute Contract Modification No. 2 in the amount of $301,055 with a contingency of $30,106 and for the Executive Director to accept the work after its completion.

Prepared by: Lloyd Soohoo
Project Engineer

For: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-88

WHEREAS, at its May 9, 2000 meeting, the Commission authorized award of Contract No. 2658, "Piers 1-½ to 5 Marginal Wharf Repair, Phase I," to Power Engineering Contractors, Inc. at a cost of $999,701.00 and authorized a 10% contingency for a total contract award of $1,099,671.00; and

WHEREAS, the original contract was limited to repair work for the first bay if marginal wharf from Piers 1-½ to 5; and

WHEREAS, the date for commencement of work was delayed until January 1, 2001, the date when the bulkhead buildings along Piers 1-½ to 5 would be vacated; and

WHEREAS, subsequent to execution of the original contract on September 15, 2000, the Commission authorized Contract Modification No. 1 for additional work to maintain vehicular access and pedestrian access at Pier 3 throughout the construction and after the condemnation date of January 1, 2001; and

WHEREAS, Port Staff has learned that BCDC has required that the public access corridor north of the Pier 3 main entrance be repaired as part of the project; and

WHEREAS, to comply with BCDC's requirement and allow for the continued public access to Pier 3 after this project has been completed, the contract scope must be expanded to include three bays of the marginal wharf at Pier 3 between gridlines 130.9 and 140.1; and

WHEREAS, the plans for the additional work at Pier 3 have been developed and submitted to the contractor for pricing; and

WHEREAS, Port staff has negotiated a price in the amount of $301,055 which includes the required construction testing and inspection; now, therefore, be it

RESOLVED, that the San Francisco Port Commission authorizes the execution of Contract Modification No. 2 to Contract No. 2658, "Piers 1-½ to 5 Marginal Wharf Repair, Phase I," with Power Engineering Contractors, Inc. at an additional cost of $301,055 and a 10% contingency for a total additional amount of $331,161.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

November 16, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorize staff to proceed with the process of vacating portions of The Embarcadero and Folsom Street

DIRECTOR'S RECOMMENDATION: AUTHORIZE SREET VACATION PROCEDURES AS RECOMMENDED.

BACKGROUND

The City and County of San Francisco's "Waterfront Transportation Projects" are essentially complete and resulted in major improvements to the north, south and mid-sections of The Embarcadero Roadway between Jefferson Street and Third Street. The Mid-Embarcadero Roadway improvements included a realignment of The Embarcadero Roadway between Howard Street and Harrison Street to create the Rincon Park and Restaurant Site (see Attachment A). Portions of the former Embarcadero Roadway and Folsom Street now underlie the proposed Rincon Park and Rincon Park Restaurant Site.

In June 1995, the Port and Redevelopment Agency entered into an Agreement to Lease for the Rincon Park site. On February 29, 2000 the Port Commission and Redevelopment Agency jointly approved the conceptual design for Rincon Park. The Agency is expected to execute the Rincon Park Lease and begin construction in January 2001.

On July 25, 2000, the Port Commission approved a Development Agreement with Rincon Park Restaurants LLC (the "Developer") for development of the Rincon Park Restaurant Site. One of the conditions precedent to the Developer's obligation to close the Escrow for the Lease is completion of the official vacation of any streets that encroach onto the Site.

On October 18, 2000, the Port requested that the Department of Public Works initiate the process for vacating portions of The Embarcadero and Folsom Street that underlie Rincon Park and Restaurant sites.

THIS PRINT COVERS CALENDAR ITEM NO. **5B**

ACTION

The Port, in conjunction with DPW's Waterfront Transportation Projects team, is seeking to vacate the street rights-of-way underlying the Rincon Park and Restaurant development sites as shown in Attachment A. The process for vacating these streets is set forth in the City's Public Works Code. This process has been initiated and staff is working with the Director of Public Works to notify utilities of the proposed vacation and address vehicle access issues, and working with the Department of City Planning to review the consistency of the street vacations with the City's General Plan. Once these steps have been completed, and subject to the Port Commission's approval of the street vacations, the Board of Supervisors will be asked to approve this action.

STAFF RECOMMENDATION

Staff recommends that the Port Commission authorize Port staff to complete the required procedures for the vacation of portions of The Embarcadero and Folsom Street, as described. Final action will not occur until the Board of Supervisors approves the action.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-90

WHEREAS, Charter, Section B3.581grants the Port Commission the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Planning Commission certified the Final Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) for the Mid-Embarcadero Roadway project on September 19, 1996; and

WHEREAS, on November 12, 1996, the Port Commission adopted Resolution No. 96-102, adopting findings under the California Environmental Quality Act related to a portion of the Mid-Embarcadero Roadway Project, and Resolution No. 96-103 approving the Roadway alignment and authorizing the Executive Director to negotiate an agreement regarding the review and final approval process for the project; and

WHEREAS, on August 12, 1997 the Port Commission adopted Resolution No. 97-68 approving the final design of the Mid-Embarcadero Roadway project; now therefore be it

WHEREAS, on May 26, 1998 the Port Commission by Resolution 98-50 authorized the Executive Director to execute a Memorandum of Understanding with affected City agencies governing the development of the Waterfront Transportation Projects, including, without limit, the construction of the Mid-Embarcadero Roadway project; and

WHEREAS, the construction of the Mid-Embarcadero Roadway project is complete and the realignment of The Embarcadero roadway resulted in abandonment of portions of certain streets; and

WHEREAS, certain street legislation actions must be taken to vacate streets which no longer exist such as portions of The Embarcadero and Folsom Streets; and

WHEREAS, it is necessary to notify the public of the possible vacation of the noted portions of The Embarcadero and Folsom Street prior to consideration and action by the Board of Supervisors; and

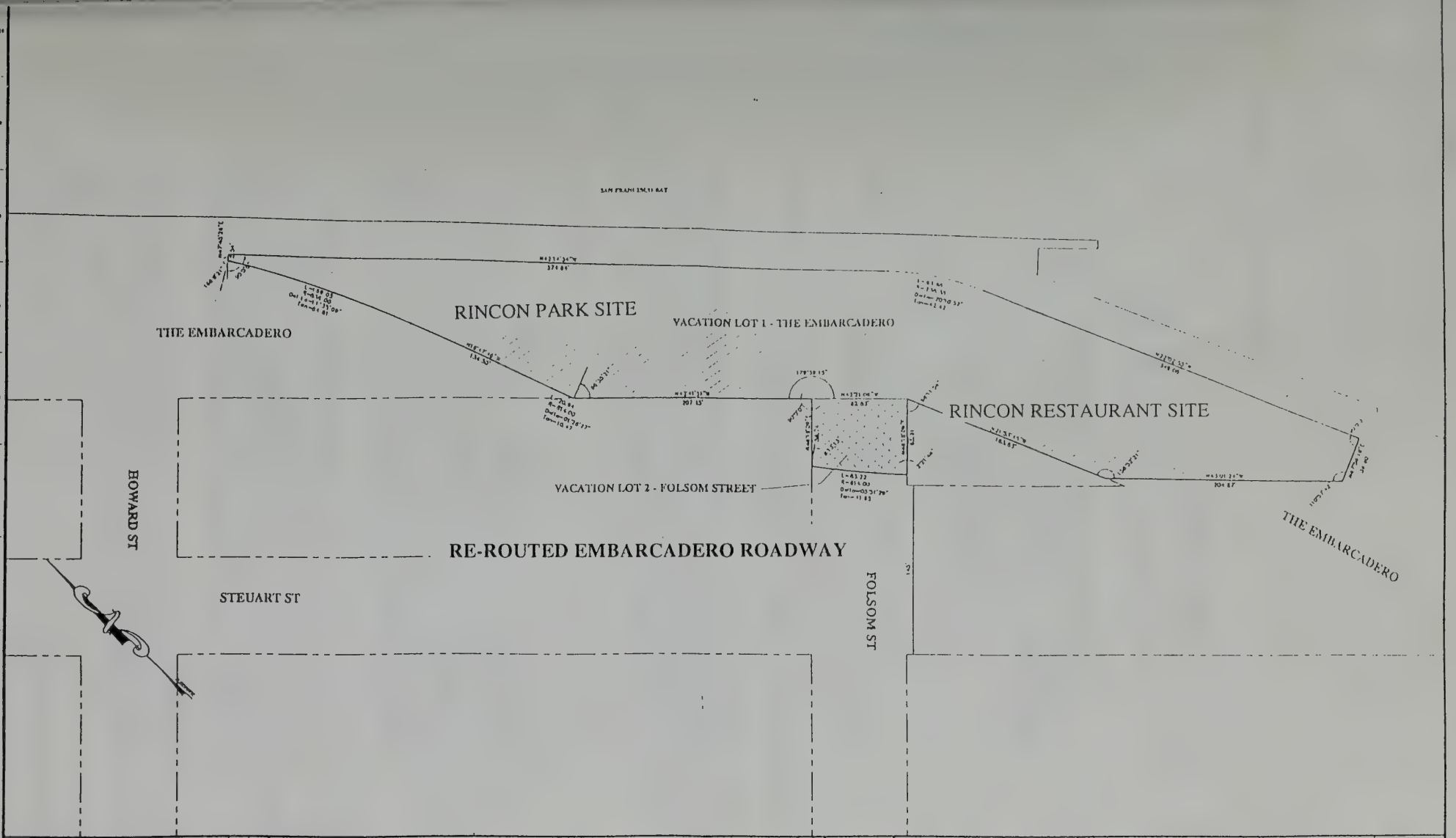
WHEREAS, the Port is responsible for initiating the process for vacation of Port streets so that the Department of Public Works can take various actions prior to consideration of the vacation of any City streets and has done so by letter dated October 18, 2000; and

WHEREAS, the Port Commission approval of this item will allow the Department of Public Works to proceed through the legislative process to vacate these streets; and

RESOLVED, that the Port Commission authorizes the Executive Director, or his designee, to complete the procedures and take the actions necessary for vacations of The Embarcadero and Folsom Street described herein.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 2000.

_____
Secretary



ATTACHMENT A

PORT OF SAN FRANCISCO

Ferry Building
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www.sfport.com

MEMORANDUM

November 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Permission to Award the Piers 48 and 50 Fire Protection Project, Construction Contract No. 2648, to the low bidder

DIRECTOR'S RECOMMENDATION: TO AUTHORIZE THE AWARD OF THE CONSTRUCTION OF THE PIERS 48 AND 50 FIRE PROTECTION PROJECT, CONSTRUCTION CONTRACT NO. 2648, TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, D'ARCY AND HARTY, INC.

Introduction:

In order to accommodate the construction of Pacific Bell Ballpark, the Port moved its Maintenance facility to Pier 50 Shed D, and relocated other tenants from Pier 46 to some of the other sheds at Pier 50. As part of the relocation project for Port Maintenance and the other Port tenants, the Port planned to put fire sprinklers into the sheds on Pier 50. This project was delayed because the existing 8" water main in Terry Francois Boulevard is not adequate to supply a large sprinkler system.

In addition to supplying water to Pier 50, the water main is also needed to supply water for a sprinkler system at Pier 48 and an irrigation system for a new park along China Basin. Pier 48 was damaged by fire in late 1996 and interior improvements are being completed on the sheds. Port staff has negotiated an agreement with the insurance company to cover a portion of the cost of the new water main.

At its meeting on 9/14/00, the Port Commission authorized staff to advertise for bids for this fire protection and sprinkler contract for Piers 48 and 50. The Port received four bids for the contract on October 31st. The bid results are shown in the attached summary sheet.

This Print Covers Calendar Item No. 5C

The lowest responsive bid was submitted by D'Arcy and Harty, Inc., a certified Local Business Enterprise in San Francisco. Their bid and later submittals as required were reviewed and approved by the Human Rights Commission representatives at the Port. D'Arcy and Harty's bid satisfies the HRC MBE and WBE subcontracting goals of 17% and 6% respectively.

Port staff has completed the review of the contract documents for the Project and is now ready to proceed with the contract award. The scope of the project includes the following items:

- The contractor shall furnish, install, test, and warranty a new 12" ductile iron water main in Terry Francois Boulevard from Third Street to Mission Rock Street. This will include five new fire hydrants, new 8" fire services to Piers 48 and 50, and a new irrigation service to the park along China Basin.
- The contractor shall furnish, install, test, and warranty a new wet-pipe fire sprinkler system with alarms and controls in Shed A on Pier 50.
- The contractor shall furnish, install, test, and warranty new fire alarm systems and controls in Shed D on Pier 50.

The Port Commission previously accepted responsibility to manage a loan to fund the move of the Port maintenance department to Pier 50, Shed D. Part of those loan funds will pay for the new fire alarms and controls for the fire sprinklers in Pier 50, Shed D. Fire insurance settlement funds from the Pier 48 fire will cover part of the new 12" pipeline and the new 8" fire water service to Pier 48. Port Harbor Operating funds are also being used to fund part of the project. The engineer's current cost estimate for the construction has been decreased from $ 1,170,000 to $ 1,101,000 for the base bid items. including a reasonable construction contingency.

The Port staff has received one bid protest from the second low bidder, Proven Management, alleging that the low bidder, D'Arcy and Harty, fails to meet the qualifications requirement of the bid documents. The City Attorney's office has reviewed the bid protest with staff, and found the protest to be without merit. D'Arcy and Harty possesses a general engineering contractor's license, and is qualified under state law to perform the work in question.

Therefore, staff requests authorization to award Contract 2648, "Piers 48 and 50 Fire Protection" to the lowest responsive and responsible bidder, D'Arcy and Harty, Inc. for the sum of $854,630 and allows the staff a 10% contingency of $85,463 if needed.

Prepared by: Skip Zeller
Mechanical Engineer

For: Cliff Jarrard
Chief Harbor Engineer

Project: Piers 48 & 50 Fire Protection
Contract No.: 2648
Project Engineer: Skip Zeller
Project Manager: Skip Zeller

Prepared By: Skip Zeller
Checked By: Leo Bragagnolo
Date: 11/1/00
Bids Opened: 10/31/00

Bid Item	DESCRIPTION	Darcy & Harty Const. Inc. 1300 Carroll Avenue S. F., Ca. 94124	Proven Mgmt. Inc 501 C. Chavez Blvd. S. F., CA. 94124	Alpha Bay Bldrs, Inc. 1962 47th Avenue S. F., CA. 94116	A. Y. Seto Corp. 1555 Yosemite Ave. S. F., CA. 94124	Engineer's Estimate August 22, 2000
Base Bid Item No. 1	New 12" ductile iron water main in Terry Francois Boulevard from vicinity of Third Street to and including the fire service for Pier 48.	$ 287,800.00	$ 170,000.00	$ 344,446.00	$ 737,000.00	$ 402,500.00
Base Bid Item No. 2	New 12" ductile iron water main in Terry Francois Boulevard from Pier 48 past Pier 50 to the foot of Mission Rock Street.	$ 300,500.00	$ 171,250.00	$ 356,496.00	$ 827,000.00	$ 402,500.00
Base Bid Item No. 3	New fire sprinklers, alarms, and controls for Pier 50, Shed A	$ 249,600.00	$ 530,000.00	$ 230,974.20	$ 250,000.00	$ 210,000.00
Base Bid Item No. 4	New alarms and controls for Pier 50, Shed D	$ 16,730.00	$ 60,000.00	$ 15,903.00	$ 50,000.00	$ 45,375.00
Total of Base Bid Items		$ 854,630.00	$ 931,250.00	$ 947,819.20	$ 1,864,000.00	$ 1,060,375.00
LESS 5% LBE, 10% MBE		$ (42,731.00)	$ (93,125.00)	$ (94,782.00)	$ (186,400.00)	
NET BASE BID TOTAL		$ 811,899.00	$ 838,125.00	$ 853,037.00	$ 1,677,600.00	
Additive Alternate Bid Item No. A1	New fire sprinklers, alarms, and controls for Pier 50, Shed B	$ 223,750.00	$ 250,090.00	$ 229,057.20	$ 180,000.00	$ 200,000.00
Additive Alternate Bid Item No. A2	New fire sprinklers, alarms, and controls for Pier 50, Shed C	$ 253,000.00	$ 284,590.00	$ 260,053.20	$ 210,000.00	$ 231,400.00
Additive Alternate Bid Item No. A3	New fire sprinklers, alarms & controls for Pier 48, Shed A land end only	$ 86,200.00	$ 110,400.00	$ 78,192.00	$ 65,000.00	$ 69,000.00
Additive Alternate Bid Item No. A4	New fire sprinklers, alarms & controls for Pier 48, Shed B land end only	$ 86,200.00	$ 110,400.00	$ 78,192.00	$ 65,000.00	$ 73,500.00

MAXSON YOUNG®
ASSOCIATES, INC.

One Sansome Street, Suite 950
San Francisco, CA 94104-4429
Tel: 415/392-6034
Fax: 415/392-0213

VIA FACSIMILE

MYA®

TO: Skip Zeller
Port of San Francisco

FAX NBR: 274 0528

FROM: Michael R. Allen

DATE: November 7, 2000

RE:

Assured:	PEPIP
Entity:	PORT COMMISSION OF THE CITY AND COUNTY OF SAN FRANCISCO
Date of Loss:	November 26, 1996
Location:	Pier 48
Our File No.:	02.961266.MI.A

Dear Mr. Zeller:

Thank you for providing a copy of the bids for Contract 2648 pertaining to the new 12-inch water main from Third Street to Pier 48.

We note the contract included both fire and non-fire related work. Although the low bid for the total contract was submitted by Darcy Harty Construction, Inc., the low bid for the fire-related work was submitted by Proven Management Inc.

At this point, we are prepared to recommend payment of the fire related work based on the low bid submitted by Proven Management Inc. and investigate the discrepancy between their bid and that submitted by Darcy Harty.

The low bid fire related work breaks down as follows:

Low Bid:	$170,000.00
Materials Furnished & Services Rendered by SFWD:	$ 77,000.00
Total	$247,000.00

I understand that there may be some savings on the field inspection.

We have forwarded a copy of the bids to our engineer for review. At this point, we are willing to recommend payment as indicated above.

File No. 0296-1266-S

Should you have any questions, please do not hesitate to phone the undersigned.

Very truly yours,

MAXSON YOUNG ASSOCIATES, INC.

Michael R. Allen
Vice President

MRA/emc

cc: Chris Stafford, MYA – San Francisco

CAPITAL PROJECT STATUS REPORT **Date:** 11/14/00

Project Title: Pier 50 Fire Protection **Famis Project No:** 643

Project Engineer: S. S. Zeller **Design Consultant:** Olivia Chen/Raymond Brooks

Contractor: D'Arcy and Harty **Summary Status:** Bids received

Summary Description: Port construction Contract 2648 will provide a new 12" water main in Terry Francois Boulevard from Third Street to Mission Rock Street, a wet-pipe fire sprinkler system in Shed A of Pier 50, and a fire alarm system in Pier 50, Shed D. The client departments are Maritime (Nick LaRocco), RE&AM, (Phil Williamson), and Maintenance (Pier 50, Shed D). Other city agencies affected are SFFD (Capt. Ken Cereghino), SFWD (Gerry Lyons), and UEB (Ed West).

The contract specifications are of the performance type, requiring that the wet-pipe sprinkler system shall be designed and built to the 1994 NFPA standard 13 for extra hazard group 1 occupancy, with the standpipes and hose systems designed and built to 1996 NFPA standard 14.

Financial Summary:

Funding Sources	**Total**	**Operating (Loan) Funds CPO643**	**Operating Funds CPO711**	**Insurance Settlement** (in progress)
Budget	1,101,000	460,000*	388,200	>247,000
Transfers to SFWD	143,000	38,160	27,840	77,000
Transfer to UEB	15,000	7,500		7,500
Expenditures **	2,813	2,813		
Encumbrances ***	940,000	411,527	358,473	>170,000
Balance	>0	0	1,887	>0

*Funds currently on reserve.

** Reviewed by Olivia Chen Consultants 4/99 for $2,813.

*** Contract of $854,630 plus 10% contingency.

Note: $25,500 released from the loan funds paid for a fire service for Pier 50 ($12,720), UEB design for Pier 50 portion of water main ($7,500), and Olivia Chen Consultants review, leaving a balance of $2467.

Schedule:

- Funding by Capital Plan Budget and Loan funds, no certain date of release.
- Award the contract November, 2000.
- Construction start by January 30,2001, done by April 30, 2001.

Status, Milestones, Issues:

- SFWD has approved the new fire services to Pier 48 Sheds A and B and Pier 50 Sheds A, B, C, and D so the new 12" main could be designed. Port paid $15,000 in UEB and SFWD engineering fees, half for Pier 48 service and half for Pier 50 service.
- Port paid SFWD $12,720 for each of the three new 8" fire main services (to Pier 48 A and B and Pier 50 A.). This amount will be deducted from the next IDWO, since the Port is contracting the work.
- SFWD and UEB turned over the contract for the new 12" fire main to the Port on 3/30/2000 Ownership and maintenance of the new main will be by SFWD.

Work Order and Task #s: 32982, 32983, 043477, and 043478

City and County of San Francisco

Willie Lewis Brown, Jr.
Mayor

Human Rights Commission
Contract Compliance
Dispute Resolution/Fair Housing
Minority/Women/Local Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Virginia Harmon
Executive Director

MEMORANDUM

TO: **Skip Zeller,** Project Manager
Cliff Jarrard, Chief Harbor Engineer
Tim Yoshida, Deputy City Attorney
FROM: Selormey Dzikunu
DATE: November 8, 2000

RE: **Piers 48 and 50 Fire Protection Contract No. 2648**

The HRC has reviewed the bid documents and relevant documentation with respect to the applicable requirements of Administrative Code 12D-A for the Port of San Francisco's Piers 48 and 50 Fire Protection Contract No. 2648. The minority-owned business enterprise (MBE) subcontractor participation goal for the contract is 17%. The woman-owned business enterprise (WBE) subcontractor participation goal for the contract is 6%.

EVALUATION PROCESS:

Pursuant to Administrative Code Chapter 12D-A and the bidding requirements for the contract, the following bid documents submitted by the first three lowest bidders were reviewed to calculate the MBE and WBE subcontractor participation goals of the bidder. This evaluation is based on the base bid because the Port is not awarding any alternates.

- Document 00435/List of Subcontractors
- HRC Form 1 Bid Preference Application
- HRC Form 2A Subcontractor Participation
- HRC Form 2B Good Faith Efforts and any attached documentation
- HRC Form 3, Compliance Affidavit

First Low Bidder: Darcy & Harty Construction

Bidder Prime and Subcontractors	Bid Amount	MBE %	WBE %	Goal Met	Adjusted Bid
Total bid.	$854,630				$811,898.5(5%)
Cobra Trucking		$49,500		5.79%	
Esquivel Grading and Paving		$26,000		3.04%	
Excel Plumbing		$42,000 (60% of $70,000)		4.91%	
Pacific Cement		$31,000		3.62%	
Feely Trucking			$7,500	0.87%	
Owens Con. Saw			$25,000	2.92	
A Answer			$23,000	2.69%	
Total	$854,630	MBE $148,500 (17.3%)	WBE: $55,500 (6.4%)		$811,898.5 (5%)

Darcy & Harty is 12B Compliant.

Second Low Bidder: Proven Management Inc.

Bidder Prime and Subcontractors	Bid Amount	MBE %	WBE %	Goal Met	Adjusted Bid
Proven Mgmt.	$931,250				$838,125 (10%)
Value Fire		$680,000			
Sierra Electric			$120,000		
Total	$931,250	MBE: 73%	WBE: 12.88%		

Third Low Bidder: Alpha Bay Builder's Inc.

Bidder Prime and Subcontractors	Bid Amount	MBE$	WBE$	Goal Met	Adjusted Bid
Guan's Electrical	$947,819.20	$180,000			$853,037.28
Cobra Trucking		$43,000			
Esquivel Grading		$25,000			
Jincon Construction			$70,000		
Owens Concrete			$25,000		
Feely Trucking			$!5,000		
Pacific Cement		$28,000			
Total	$947,819.20	MBE $276,000 29.11%	WBE: $110,000 11.6%		

After applying 12D discounts to all bids, Darcy & Harty is the apparent low bidder. Darcy & Harty is also responsive to all HRC requirements.

Selormey Dzikunu

Contract Compliance Officer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-92

WHEREAS, On 9/14/00, the Port Commission authorized staff to advertise for bids for Contract 2648, "Piers 48 and 50 Fire Protection Project;" and

WHEREAS, On 10/31/00, staff received four bids, and after a careful review of all the bid documentation, staff has determined that the lowest responsive and responsible bidder is D'Arcy and Harty, Inc.; and

WHEREAS, D'Arcy and Harty's bid includes a price of $854,630 for all four base bid items; and

WHEREAS, D'Arcy and Harty's bid satisfies the MBE and WBE subcontracting goals of the HRC; and

WHEREAS, the cost of this project shall be funded by $730,000 in Port Operating Funds and a minimum of $247,000 in insurance settlement proceeds from the Pier 48 fire; now therefore be it

RESOLVED, that the Port Commission hereby authorizes the award of Contract 2648, for the "Piers 48 and 50 Fire Protection" to D'Arcy and Harty, Inc. for the amount of $854,630 and allows the staff a 10% contingency of $85,463, for a total contract amount not to exceed $940,093, and that the Executive Director is authorized to accept the work upon its completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 2000.

_____
Secretary

I:\Cliff\Commission\2648award2

PORT OF SAN FRANCISCO

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MEMORANDUM

November 17, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Status Report on Wharf J-10

On August 23, 2000, the Port Commission issued an Emergency Declaration for Wharf J-10. This declaration directed the vacation of the building tenants, authorized the retention of an outside consultant to develop a means to stabilize the pier and building to prevent collapse, and for that consultant to develop engineering plans for reconstruction, repairs, or demolition consistent with safety and interests of the public. The Commission authorized up to $250,000 for this emergency work for Wharf J-10.

Vacation of the building

There were two tenants on Wharf J-10. The two tenants California Shellfish and F. Alioto Fish Company moved out of the building. The Port provided considerable support to F. Alioto. The Port provided Alioto space in Fish Alley to continue their operation. The Port moved the tenant's equipment, relocated Alioto's hoist, and is assisting Alioto's contractor in relocating their crab cooking equipment.

Temporary shoring and plans for the permanent remedial work

Per the emergency declaration, the Port subsequently authorized, our structural engineering consultant, Structus to design temporary shoring for the northwest corner of Wharf J-10 building. Structus completed the design and Port Maintenance staff is currently performing this shoring. Currently, staff has placed the six piles to help support the northwest portion of the building and is working on the additional support system for this part of the facility. This temporary shoring will not make the pier and building safe to occupy but will keep it from falling down on a temporary basis. This will allow time for the Port to determine what the next steps for the pier and building will be.

This Print Covers Calendar Item No. **5D**

The Port also authorized Stuctus to develop concepts, preliminary plans and cost estimates for the permanent remedial work. The Port also authorized Architectural Resources Group (ARG) to review the historic significance of the existing wharf building and to make recommendations for possible options of rehabilitation. The Port and its consultants recommended the investigation of five options for reconstruction, repairs or demolition of the facility per the Emergency Declaration. The options are:

A. Retain the existing building, retrofit it and replace the existing wharf with a new substructure.

B. Replace both the building and the wharf substructure with totally new basic structures.

C. Replace both the building and the wharf substructure with totally new structures, but replicate historical elements into the new building.

D. Demolish the existing wharf, building and seawall and replace with them with a new wharf and a concrete seawall but no building.

E. Demolish the existing wharf and building and place riprap from the top of the embankment to a point below the low water elevation.

Structus has provided the Port with a preliminary report on these options which staff has reviewed. Structus will refine the report and develop cost estimates for the various options. The final report and cost estimates will be completed in about two weeks. This report will be reviewed by the Port Commission and the Fisherman's Wharf community to arrive upon a plan of action for the future of Wharf J-10.

Prepared by: Cliff Jarrard, Chief Harbor Engineer

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to enter into a professional services contract with the consultant team led by Bay Area Economics to evaluate proposals received in response to the Piers 27-31 Mixed Use Recreation Project Request for Proposals and to assist with negotiating the development agreement and lease for this recreation project

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO ENTER INTO CONTRACT WITH THE CONSULTANT TEAM LED BY BAY AREA ECONOMICS

BACKGROUND

Request for Proposals for the Piers 27-31 Mixed Use Recreation Project

On September 21, 1999, the Port Commission by Resolution No. 99-72 approved the mission statement and development concept, as well as key lease terms and the selection process, for the Piers 27-31 Mixed Use Recreation Project ("Recreation Project"), and authorized issuance of a Request for Proposals for the Recreation Project ("Project RFP"). The Site for the Recreation Project consists of a 19-acre complex of piers on the Northeast Waterfront, including Piers 27, 29, 29 ½, and 31, which is shown on the attached map.

On December 8, 1999, the Project RFP was suspended due to the pending public review of proposed amendments to the policies and plans of the San Francisco Bay Conservation and Development Commission (BCDC), which would impact the proposed Recreation Project. On July 20, 2000, at a joint meeting of BCDC and the Port Commission, BCDC unanimously approved recommended amendments to its plans and the Port Commission unanimously approved recommended amendments to its Waterfront Land Use Plan. Following meetings of the Northeast

Waterfront Advisory Group, the Port Commission, on August 15, 2000 by Resolution No. 00-68, approved amendments to the Project RFP. The amended Project RFP was issued on August 31, 2000, with a revised deadline of December 5, 2000 for submitting proposals.

The Port's primary goals for the Recreation Project are stated in the following Mission Statement for this development opportunity:

> The goal of this development is to create a unique and inviting waterfront mixed-use Recreation Project, integrating a varied mix of maritime and commercial uses and open space, including a major public plaza, oriented around active recreational pursuits. This mixed-use Recreation Project will provide a venue for all San Franciscans and Bay Area residents to actively participate, individually or as groups, in diverse amateur recreational sports, physical fitness and related activities while enjoying the Recreation Project's scenic waterfront setting. The major public open space, the Northeast Wharf Plaza, will be a city and regional resource. The plaza and the other open spaces included in the Recreation Project will create opportunities for engaging in and viewing active recreational activities while enjoying expansive Bay views. New opportunities for recreational boating and other water uses will be created, and maritime berthing compatible with the adjacent new uses at Pier 27 will continue, including temporary ceremonial ship berthing and "port of call" cruise ship berthing.
>
> The Recreation Project will have a quality design that is authentic to the rich historic maritime industrial character of the Northeast Waterfront. The Recreation Project will be designed to respect this character, to create a focal point for new activity on the Northeast Waterfront, and to maximize public access to and enjoyment of the Recreation Project's spectacular waterfront setting.

Consultant Request for Qualifications

On September 17, 1999, Port staff issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects ("Consultant RFQ"). The purpose of this Consultant RFQ was to create a list of Qualified Consultant Teams from which the Port could solicit proposals for planning and development consulting services. Each consultant team had to be led by a real estate economics consulting firm ("Lead Consultant"), and could include sub-consultants. Pursuant to San Francisco Administrative Code Section 12D, sub-consultant participation goals of 15% for Minority Business Enterprises (MBEs) and 5% for Woman Business Enterprises (WBEs) were established for the total contract dollars expended by the Port through this Consultant RFQ process.

Responses to this request for qualifications were received from the following six consultant teams (listed alphabetically by the Lead Consultant): Bay Area Economics, Economic & Planning Systems, Economic Research Associates, Hausrath Economics, Keyser Marston Associates, Inc., and the Sedway Group. Port staff determined that all six consultant teams met the Minimum Qualifications indicated in the Consultant RFQ, and all six responding consultant teams were placed on the list of Qualified Consultant Teams from which the Port can solicit proposals for specific consulting contracts.

Consultant Request for Proposals

On September 29, 2000, Port staff requested proposals from all six Qualified Consultant Teams to provide consulting services regarding the Recreation Project ("Consultant RFP"). The indicated scope of consulting services in the Consultant RFP consisted of two phases:

1. Phase 1 - to assist the Port in evaluating proposals received in response to the Project RFP; and
2. Phase 2 - as needed, to assist the Port with negotiating the development agreement and lease for the Recreation Project.

Funding for this consulting work is available from the Pre-Development Studies Account of the Port's Capital Plan.

The Consultant RFP requested the following information from respondents:

1. Their approach to providing consulting services.
2. Their previous experience with similar projects.
3. The fixed fee for Phase 1 work, and the hourly rates for Phase 2 work.
4. Their compliance with certain City requirements.
5. Their compliance with Human Rights Commission requirements.
6. A conflict of interest statement.

The Consultant RFP contains the following evaluation criteria:

1. The approach to consulting services (20% weighting);
2. The experience of Lead Consultant, sub-consultants and assigned project staff (40% weighting);
3. The fee proposal for Phase 1 (35% weighting); and
4. The fee proposal for Phase 2 (5% weighting).

Rating bonuses were applied pursuant to Chapter 12D of the San Francisco Administrative Code, with approval from HRC.

Responses to the Consultant RFP were received from Bay Area Economics ("BAE") and Economics Research Associates ("ERA"), and the following table summarizes these responses. This table indicates the members of these two consultant teams and their responsibilities, their fee proposals, the project managers, whether the Lead Consultant is a MBE or WBE, and the percentage of the Phase 1 fee proposal allocated to MBE/WBE sub-consultants.

Lead Consultant:	Bay Area Economics	Economic Research Associates
Lead Consultant Role	– Evaluate ability, experience and past economic performance of proposers – Evaluate proposals against Development Concept Criteria – Evaluate financial proposals – Evaluate feasibility of proposals – Overall evaluation against all Selection Criteria	– Economic feasibility, including market & financial evaluation – Overall evaluation against all Selection Criteria
Sub-Consultants and Roles	– EDAW, Inc. - evaluate regulatory entitlement ability, and achievement of Open Space and Design Objectives – PKF - input on recreational uses – Terranomics – input on retail uses – Olivia Chen Consultants - evaluate regulatory entitlement ability and project costs – Pittman & Hames - evaluate regulatory entitlement ability and project cost – Other consulting engineer(s), such as Bruno Elias, depending on proposals and issues	Evaluation of non-financial goals by following sub-consultants: – Sasaki Associates – Land planning, urban design, historic preservation and architecture – Architecture Resources Group – Historic preservation and architecture – CHS Consulting Group – Transportation and parking – Robin Chiang & Company – Historic preservation and architecture, cost estimating – Han-Padron Associates - Structural and marine engineering, maritime facilities planning – Arcost – Cost estimating – Olivia Chen – Geotechnical, soil, and utilities engineering, cost estimating – URS Corporation – Cost estimating, structural engineering, marine engineering, maritime facilities planning, hazardous materials – Other consulting subcontractors - as needed
Phase 1 Fee Proposal	Fixed total fee of $53,000 for review of 2 proposals; fixed total fee of $24,750.00 per each additional proposal	Total estimated fees for review of 2 proposals: $84,642, as outlined below. Estimated fee for Lead Consultant of $49,894 for review of 2 proposals, plus $10,000 per each additional proposal. Estimated fee for 8 indicated sub-consultants to review 2 proposals approximately $34,748; no estimate for subcontractors' work involving additional proposals.
Phase 2 Fee Proposal	Services to be provided on as as-needed basis utilizing hourly rates as proposed, against an agreed upon maximum contract price.	Same
Project Manager(s)	Janet Smith-Heimer (Principal) and Jonathan Stern (Senior Associate) of BAE.	Steven Spickard (Senior Vice President) and Steve Balgrosky (Vice President) of ERA
Lead Consultant MBE or WBE	Yes (51% of Phase 1 fee)	No
Percentage of Phase 1 Fee allocated to MBE/WBE sub-consultants	19%	15%

EVALUATION OF PROPOSALS AND RECOMMENDATION

Port staff evaluated quantitatively the proposals submitted by BAE and ERA in response to the Consultant RFP using the evaluation criteria indicated in the Consultant RFP. Port staff found the BAE proposal overall to be more responsive to the Consultant RFP, and Port staff gave the BAE proposal the highest total score, both before and after applying rating bonuses pursuant to Chapter 12D of the San Francisco Administrative Code. The scoring relative to the evaluation criteria are discussed below.

1. Approach to Consulting Services: The BAE proposal scored higher than the ERA proposal, and was thus more responsive.

2. Experience of Lead Consultant, sub-consultants and assigned project staff: The ERA proposal scored higher than BAE, and was thus more responsive. While both consultant teams have experience with recreational projects, the Lead Consultant of the ERA team has the most experience with this product type. However, BAE and its assigned project staff, as well as other members of its consultant team, have much more experience with the type of assignment sought in the Consultant RFP.

3. Fee Proposal – Phase 1: The BAE proposal scored higher on this criteria than ERA, and was thus more responsive.

4. Fee Proposal – Phase 2: The BAE and ERA proposals scored equally on this criteria.

Pursuant to Chapter 12D of the San Francisco Administrative Code, a 10% rating bonus was applied to the BAE proposal because the Lead Consultant is a certified WBE.

Port staff therefore recommends that the Port Commission authorize Port staff to enter into a contract with the consultant team lead by BAE for the Phase 1 and Phase 2 consulting services. The fee for Phase 1 work shall not exceed $53,000.00 for review of two proposals, plus $24,750.00 per each additional proposal, for a total contract price not-to-exceed $77,750.00. The Phase 2 work shall be on an as-needed basis calculated on hourly rates in accordance with the schedule included in the BAE proposal. Prior to commencing the Phase 2 work, a maximum contract price will be established for this Phase 2 work, which shall not exceed the delegated authority of the Executive Director without prior approval of the Port Commission.

Prepared by: Kirk Bennett
Manager, Waterfront Development Projects

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-89

WHEREAS, the Port Commission, on September 21, 1999 by Resolution 99-72, authorized the issuance of a Request for Proposals for the Piers 27-31 Mixed Use Recreation Project ("Project RFP"), on December 8, 1999 the Project was suspended, and on August 31, 2000 an amended Project RFP was issued following approval of amendments to the Project RFP by the Port Commission on August 15, 2000 by Resolution 00-68; and

WHEREAS, the Project RFP indicated that the proposals would be reviewed and evaluated by Port staff, possibly with the assistance of independent consultants; and

WHEREAS, Port staff on September 17, 1999 issued a request for qualifications from teams of consultants with multidisciplinary expertise to provide consulting services for waterfront planning and development projects, including the Project RFP ("Consultant RFQ"), and Port staff, with the assistance of representatives of the Human Rights Commission, undertook good faith efforts to ensure that disadvantaged minority and woman owned business enterprises were given an opportunity to submit a proposal or participate on a consultant team as a sub-consultant; and

WHEREAS, Port staff received responses to this Consultant RFQ from six consultant teams, all of which were determined by Port staff to met the Minimum Qualifications indicated in the Consultant RFQ, and all six consultant teams were placed on the list of Qualified Consultant Teams from which the Port could solicit proposals for specific consulting contracts; and

WHEREAS, Port staff, on September 29, 2000, requested proposals from all six Qualified Consultant Teams to provide consultant services regarding the Project RFP ("Consultant RFP"), with the scope of services consisting of two phases: (1) Phase 1, assisting the Port in evaluating proposals received in response to the Project RFP; and (2) Phase 2, as needed, assisting the Port with negotiating the development agreement and lease for the project with the developer selected pursuant to the Project RFP; and

WHEREAS, Port staff received responses to this Consultant RFP from consultant teams led by Bay Area Economics ("BAE"), and Economics Research Associates ("ERA"); and

WHEREAS, Port staff evaluated the two proposals submitted by BAE and ERA, which are summarized in the Memorandum in Agenda Item 6A for the November 21, 2000 Port Commission meeting, using the evaluation criteria indicated in the Consultant RFP, and rated the BAE proposal as more responsive to the Consultant RFP than the ERA proposal; therefore, now be it

RESOLVED, that the Port Commission hereby authorizes and directs the Executive Director of the Port, or his designee, to enter into a contract with BAE for the consulting services indicated in the Memorandum for Agenda Item No. 6A for the November 21, 2000 Port Commission meeting.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 2000.

_____
Secretary

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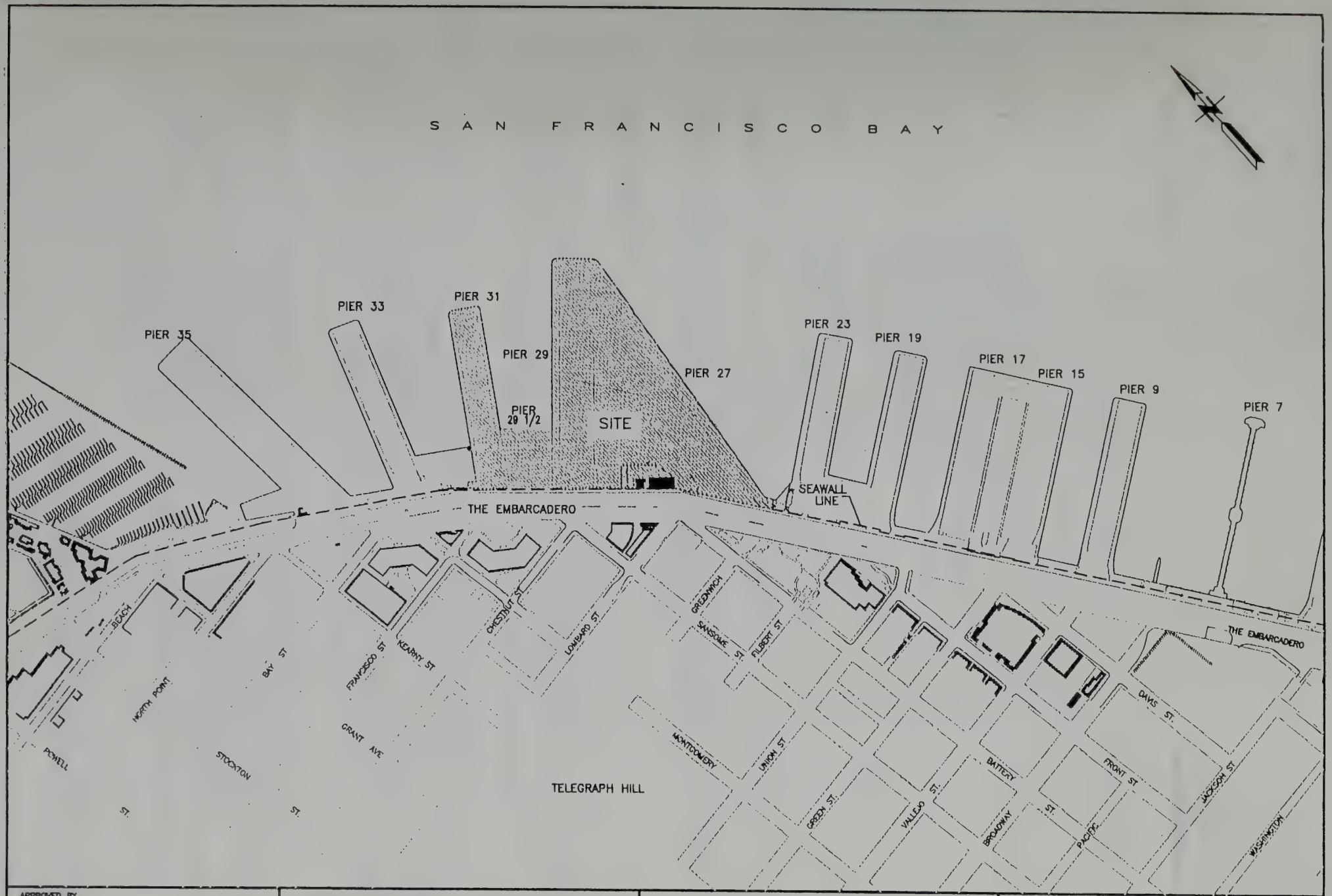

APPROVED BY SAN FRANCISCO PORT COMMISSION DATE _____ _____ CHIEF HARBOR ENGINEER	SAN FRANCISCO PORT COMMISSION PORT OF SAN FRANCISCO DEPARTMENT OF ENGINEERING	NORTHEAST WATERFRONT	DRAWN BY: EDC CHECKED BY DRAWING NO. DATE: OCT 1, 1999 SCALE: NONE SHEET NO. OF SHEETS

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Extension of Exclusive Negotiations for Mixed Use Development at Pier 24½

DIRECTOR'S RECOMMENDATION: APPROVE EXTENSION OF EXCLUSIVE RIGHT TO NEGOTIATE WITH METROPOLIS PARTNERS, INC/POLATNICK PROPERTIES

BACKGROUND

Pier 24 Annex is located adjacent to and just north of Pier 26 and contains approximately 26,000 square feet of enclosed space. The Site fronts on The Embarcadero and has sweeping views of the Bay, the Bay Bridge, the Ferry Building, Treasure Island, the East Bay and The Embarcadero. The building is vacant and has not been occupied for several years.

In October 1998, the Port issued a Request for Proposals ("RFP") for the development and operation of a mixed-use development (the "Development") at Pier 24 Annex (the "Site"). In this RFP, the Port solicited proposals from qualified respondents ("Respondents") that would be consistent with the Port's *Waterfront Land Use Plan* which lists the following uses or a combination thereof as acceptable for the Site: Assembly and entertainment, museum, retail (including restaurant), water taxi and public access and open space.

On April 13, 1999 by Resolution No. 99-24, the Port Commission authorized Exclusive Negotiations with Metropolis Partners Inc. and Polatnick Properties ("Metropolis") and a negotiating fee of $25,000 was paid to the Port. On January 19, 2000 the Executive Director extended the exclusive negotiation period for six months or until June 14, 2000 and a negotiating fee of $5,000 was paid to the Port. On June 27, 2000 by Resolution No. 00-47, the Port Commission authorized another extension of the exclusive negotiation period for six months or until December 14, 2000.

THIS PRINT COVERS CALENDAR ITEM NO. **6B**

During this time period, Metropolis has begun its due diligence review of the Site in conjunction with preparing preliminary development plans for the Site. Evaluation of the Site development costs, including construction cost estimates has included:

- Substructure engineering including new piling requirements (GKO & Associates)
- Assessment of design requirements and estimated cost for mechanical, electrical and structural work (DBD Structures, Anderson Rowe & Buckley, Lera Electrical)
- Conceptual design analysis (Kwan Hemni)
- Assessment of historic building and/or district issues (Architectural Resources Group)
- Assessment of parking availability
- Discussion of regulatory issues including bay fill and public access with San Francisco Bay Conservation and Development Commission (BCDC) staff

Also during this period, Metropolis has been marketing the project to potential subtenants that would be consistent with the land use objectives and limitations set forth in the *Waterfront Land Use Plan*. Potential users have been discussed, however a proposed use program and project design has not been submitted. Pursuant to the Exclusive Right to Negotiate Agreement, the Port reserved the discretion to approve, condition or reject proposed uses and/or design concepts during the negotiation process.

STAFF RECOMMENDATION

The Port has allowed sufficient time for the developer to conduct due diligence and marketing efforts for the project. In order to determine whether to continue the negotiation process, staff recommends that the Port extend the period for exclusive negotiations to February 14, 2001, by which time the developer must complete the following performance benchmarks:

- Enter into a preliminary sublease commitment/letter of intent with a proposed user consistent with the uses described in the RFP;
- Submit an update of the Conceptual Design for Improvements for the proposed use as outlined in the RFP;
- Submit updated information regarding the Economic Return to the Port and Financial Viability of the proposal, as outlined in the RFP, including current estimate of construction costs;
- Developer will complete it due diligence investigation of the Site sufficient to prepare an estimate of development costs, financial projections, preliminary development plans and other analysis necessary to conclude lease negotiations, and provide Port with a written confirmation of same;
- Developer and Port to agree on a tentative schedule for the development of the Project, including, without limitation, a timetable for Project design, environmental review, regulatory approvals, construction and lease commencement date.

If these performance benchmarks are achieved as determined by the Port in its sole and absolute discretion, the exclusive negotiation period would be automatically extended to June 14, 2001 in order to prepare a lease and/or other development agreement documents. If these benchmarks are not met, the Exclusive Negotiation Agreement would terminate on February 14, 2001. In any event, a non-refundable extension fee of $5,000 is recommended, due and payable on December 15, 2000.

Prepared by: Kari Kilstrom
Development Project Coordinator

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-91

WHEREAS, Charter, Section B3.581grants the Port Commission the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, the Port owns certain properties known as "Pier 24 ½ or Pier 24 Annex"; and

WHEREAS, in October 1998, the Port issued a Request for Proposals for Pier 24 Annex; and

WHEREAS, a development team consisting of Metropolis Partners, Inc. and Polatnick Properties submitted a response to the RFP on February 1, 1999 which complied with the submittal requirements stated in the RFP and which was reviewed and evaluated by Port Staff; and

WHEREAS, based on this review, Port Staff recommended that the Port Commission enter into exclusive negotiations with Metropolis Partners, Inc. and Polatnick Properties; and

WHEREAS, The Port Commission reviewed the Port staff recommendation set forth in the Memorandum to Port Commissioners dated April 8, 1999, for Agenda Item 8A, and determined that Metropolis Partners, Inc. and Polatnick Properties met the qualification requirements for development of Pier 24 Annex; and

WHEREAS, based on this review, the Port Commission authorized exclusive negotiations with Metropolis Partners, Inc. and Polatnick Properties on April 13, 1999; and

WHEREAS, the Port Executive Director extended the exclusive negotiation period for six months, or until June 14, 2000; and

WHEREAS, on June 27, 2000, the Port Commission by Resolution 00-47 extended the exclusive negotiation period to December 14, 2000; and

WHEREAS, Metropolis Partners, Inc. and Polatnick Properties have undertaken their due diligence review of the site and are preparing preliminary development plans for the site in accordance with the Exclusive Right to Negotiate agreement; now therefore, be it

RESOLVED, that the Port Commission hereby authorizes the Executive Director of the Port to enter into an amendment of the Exclusive Right to Negotiate agreement on the general terms set forth in the November 14, 2000 Memorandum to the Port Commission, including:

a) extend the exclusive negotiating period for two months, or until February 14, 2001;
b) certain performance benchmarks must be accomplished on or before February 14, 2001, as outlined in the November 15, 2000 Memorandum to this Commission;
c) if the performance benchmarks are not achieved as determined by the Port in its sole and absolute discretion, then the Exclusive Right to Negotiate agreement terminates on February 14, 2001;
d) if the performance benchmarks are achieved as determined by the Port in its sole and absolute discretion, then the exclusive negotiating period may be automatically extended to June 14, 2001, with the understanding that the final terms and conditions of the Lease and related documents negotiated between Metropolis Partners, Inc. and Port staff during the Exclusive Negotiation Period will be subject to the approval of the Port Commission; and be it further

RESOLVED, that the Port will not enter into a final lease for the project which would allow for its development until there has been complete compliance with the California Environmental Quality Act (CEQA).

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of November 21, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 2000

TO: **MEMBERS, PORT COMMISSION**
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of Memorandum of Understanding between the Port and the Bay Area Sports Organizing Committee (BASOC), in conjunction with the Mayor's Office to include various Port property sites as possible venues for the City's bid to host the 2012 Olympics.

STAFF RECOMMENDATION: Approve the Memorandum of Understanding between the Port and the Bay Area Sports Organizing Committee (BASOC), in conjunction with the Mayor's Office to include various Port property sites as possible venues for the City's bid to host the 2012 Olympics.

BASOC is a non-profit organization formed to enrich the lives of San Francisco Bay Area residents through the support and organization of athletic activities. BASOC is presently in the process of preparing a bid in connection with the San Francisco Bay Area's effort to host the Games, and has requested the Port's cooperation in making property, yet to be identified, available for possible Olympic events.

The MOU designates Port property as a possible venue for the several Olympic events in the year 2012. BASOC has expressed interest to the City and the Port that they are interested in using Embarcadero/Herb Caen Way, as well as other sites that might be available on Port property) to host events. This MOU is needed for the City & County of San Francisco to include in its bid package to the official Olympic Committee, which is due on December 15, 2000.

Material terms of the MOU include the following:

1. Port grants to BASOC exclusive use of the facility to be identified by the Port at least 12 months prior to the event.

2. The MOU will terminate if San Francisco is not chosen at the U.S. Candidate City or the Host City for the Games.

3. Licensee is responsible for construction, dismantling and repair of all improvements necessary to host the event on the Port property.

4. Licensee will pay a reasonable rental fee based on then-prevailing market rent.

5. Port will provide a venue free of all ads or logos.

6. Licensee may also have use of any parking controlled by Port if it is available in the vicinity.

7. Licensee will indemnify the Port and City for any Claims relating to the use of Port property for the event.

Prepared by: Brajah Norris, Port staff

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-94

WHEREAS, Charter Section B3.581 empowers the Port Commission with power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, under Charter Section B3.581(g) leases granted or made by the Port Commission shall be administered exclusively by the operating forces of the Port Commission; and

WHEREAS, The Bay Area Sports Organizing Committee ("BASOC") is a non-profit organization formed to prepare a bid in connection with the San Francisco Bay Area's effort to host the 2012 summer Olympics Games; and,

WHEREAS, In connection with their bids, Olympic organizing committees like BASOC are required to describe potential sites for Olympic events, including evidence of potential site control; and

WHEREAS, BASOC is entering into a series of memoranda of understanding with governmental and non-governmental entities regarding the use of potential sites in the San Francisco Bay Area for the 2012 Olympics; now, therefore, be it

RESOLVED, That the Port Commission hereby approves the MOU on the terms set forth in the Memorandum to Commissioners for this Item, and in substantially the form on file with the Port Commission Secretary, and authorizes the Executive Director to enter into on behalf of the Port Commission the MOU; and, be it further

RESOLVED, That the Port Commission authorizes the Executive Director to enter into modifications to the MOU (including, without limitation, the attachment of exhibits) that are in the best interests of the Port, do not materially change the terms of the MOU, and are necessary and advisable to effectuate the purpose and intent of this resolution.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of November 21, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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MEMORANDUM

November 15, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Denise McCarthy
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Presentation on the Use of Warm Water Cove as an Off-leash Dog Park

DIRECTOR'S RECOMMENDATION: FOR INFORMATION ONLY; NO ACTION REQUIRED

BACKGROUND

On November 14, 2000, the Board of Supervisors' Recreation and Parks Committee recommended the attached ordinance urging the Department of Recreation and Parks (Rec & Park) to make its best efforts to reach an agreement with the Port to build and maintain an off leash dog park at Warm Water Cove. The ordinance calls for Rec & Park to build and operate the park. It also states that, pursuant to its agreement with the Port, Rec & Park will hold a series of public meetings to solicit public comment on proposed improvements to the property and the elements of a suitable operational plan for the property.

The full Board will act on this ordinance on November 20. The ordinance is the result of on-going discussions with Supervisor Katz and the San Francisco Dog Owners Group (SFDOG) about the need to create more spaces for off-leash dogs. An Advisory Task Force was established, and in May 1999 completed their report recommending numerous parks that they wanted sanctioned as off-leash dog parks, which included the recognition of Warm Water Cove as a potential site.

Warm Water Cove was originally created by the Port to provide public access and open space as mitigation for a BCDC permit for shoreline stabilization repair work at the foot of 24th Street. The Port's gardener currently provides maintenance for the Park, but vandalism and litter continue to be a problem. The proposed off-leash dog park would be an enclosed one acre area. A map of Warm Water Cove is attached.

The amount of funding needed to make these improvements and identifying sources of funding still need to be resolved. The Port has informed Rec & Park and Supervisor Katz's office that Port does not have capital funds allocated to construct the park. The MOU with Rec & Park will be limited to use of the property for an off-leash dog area for specified terms and will not include obligations by the Port to fund costs. Pursuant to the legislation, the MOU will not require the Port to incur any additional maintenance responsibilities that we do not already have. Once the ordinance has finally passed the Recreation and Parks Department and Port staff will begin discussion on developing an MOU.

Prepared by: Veronica Sanchez, Manager, Governmental Affairs

FILE NO. ORDINANCE NO.

[Use of Warm Water Cove As An Off-leash Dog Park]

Ordinance requiring the Recreation and Park Department to make its best efforts to reach an agreement with the Port of San Francisco under which the Department will operate Warm Water Cove as a park that permits dogs to be off-leash, and providing for capital improvements to the park.

Note: Additions are *italic*; *Times New Roman*; deletions are ~~*strikethrough italic., Times New Roman*~~
Board amendment additions are double underlined.
Board amendment deletions are ~~strikethrough normal~~.

Be it ordained by the People of the City and County of San Francisco:

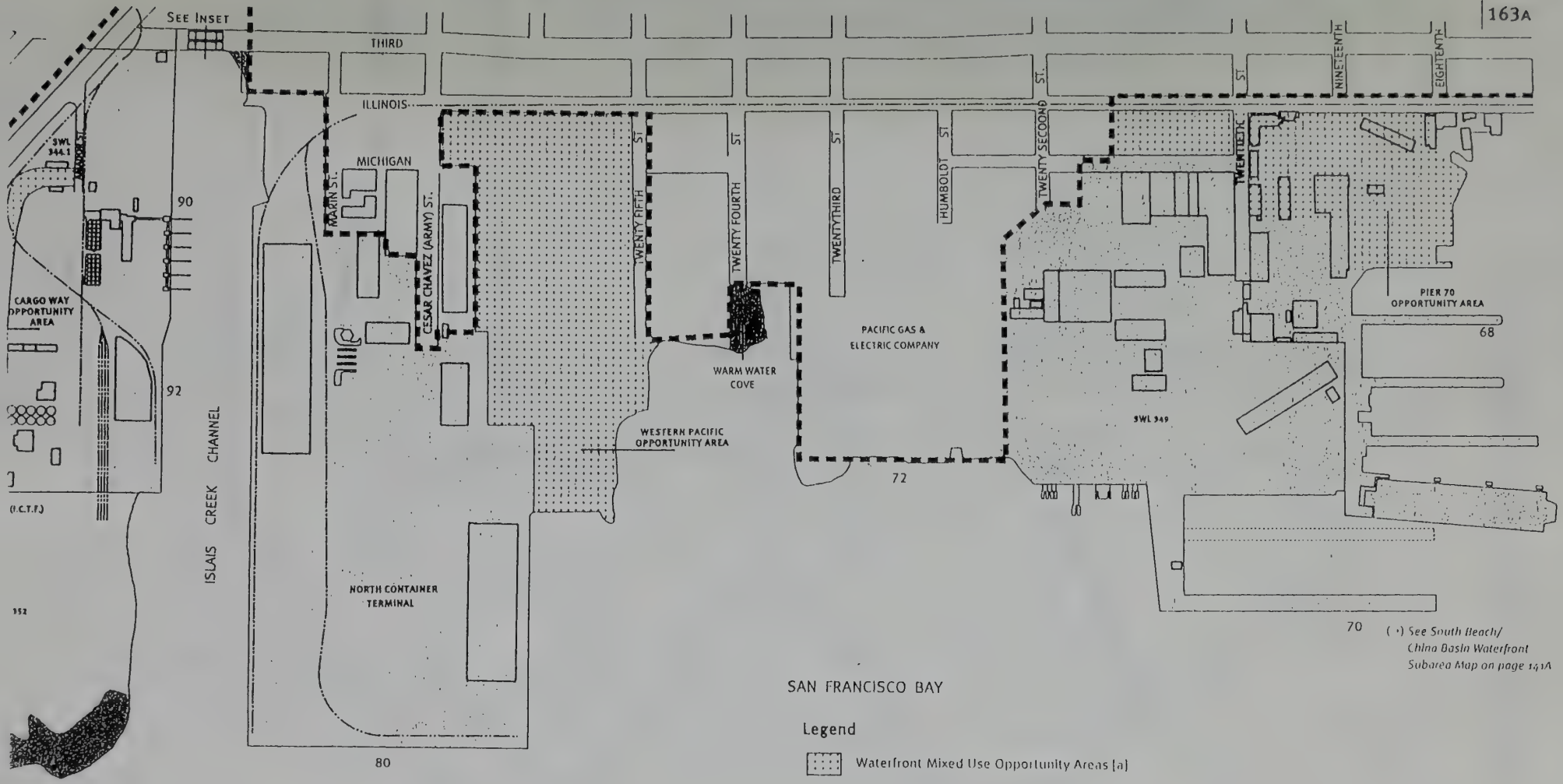
Section 1. The San Francisco Recreation and Park Department ("Rec/Park") shall make its best efforts, within three months of the effective date of this legislation, to reach a written agreement with the Port of San Francisco under which Rec/Park will operate and maintain Port property known as Warm Water Cove Park (the "Property") for use as a park that permits dogs to be off-leash on voice command. (A map of the Property is on file with the Clerk of the Board in File No. _____.) Pursuant to its agreement with the Port, Rec/Park shall hold a series of public meetings to solicit public comment on proposed improvements to the Property and the elements of a suitable operational plan for the Property. Rec/Park shall also, after hearing public comment, make such improvements to the Property as Rec/Park's General Manager deems appropriate for the operation of the Property as a park. Rec/Park shall include Warm Water Cove Park in any Citywide policy that it develops with respect to permitting dogs off-leash in City parks.

APPROVED AS TO FORM:
LOUISE H. RENNE, City Attorney

By: Mariam M. Morley
Mariam M. Morley
Deputy City Attorney

Supervisor Katz
BOARD OF SUPERVISORS

The Southern Waterfront Subarea



(•) See South Beach/ China Basin Waterfront Subarea Map on page 141A

Legend

- Waterfront Mixed Use Opportunity Areas [a]
- Other Maritime Areas
- Other Public Access & Open Space Areas

[a] Waterfront Mixed Use Opportunity Areas include any underlying existing and acceptable maritime, public access and open space and commercial areas. See Acceptable Land Use Tables for more detail.

[b] There are two exceptions to the generally contiguous shoreline property held by the Port between Hyde Street Pier and India Basin. Five parcels (and portions of existing and planned streets) within Port Jurisdiction are located south of India Basin, just north of Candlestick Park; these parcels are identified on the map and Acceptable Land Use Table for the Southern Waterfront subarea. Portions of certain piers at Hunters Point Shipyard not shown on this map are shown on the Burton Act maps as within Port Jurisdiction, but are currently under the control of the Navy; these areas are not included in the Draft Waterfront Land Use Plan because the land use policies included in the Re-use Plan for the Shipyard will apply to these sites.

Map Notes

- Freight Rail Line
- Indicates condemned piers
- Waterfront Plan Project Area Boundary
- SWL — Seawall Lot

1 The maps are illustrative only. Please see the Acceptable Land Use Tables in Chapter 4 for a complete listing of acceptable permanent uses for each Port site.

NORTH

0 175 350 700

Warm Water Cove Park (approximately 1 acre)

SF
355
.3
11/21/00
special

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PORT COMMISSION

NOVEMBER 21, 2000
MINUTES OF THE SPECIAL MEETING

DOCUMENTS DEPT.

DEC 15 2000

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HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
NOVEMBER 21, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 3:00 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. APPROVAL OF MINUTES

- November 1, 2000 Special Meeting
- November 9, 2000 Special Meeting

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor. The minutes for the November 1 and 9, 2000 Special Meetings were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Wong reported the following:

- Status Report on the Pier One Move. Mary Ilyin, Project Manager, provided the Commission a brief status report regarding the move of the Port offices to Pier One.

- Port Logo: Renee Dunn, Public Relations Manager, gave the Commission a briefing and showed a slide presentation regarding the Port's new identity logo. The Port's Identity Logo Committee comprised of Doug Wong, Peter Dailey, Gerry Roybal, Dan Hodapp and Renee Dunn hired the Mya Kramer Design Group to design the new logo.

  Ms. Dunn thanked Gerry Roybal and Mya Kramer Design Group for putting together the presentation. Ms. Dunn indicated that the committee and the design group are pleased with the logo design for it represents all the communication messages which were key to the project i.e. historical reference to San Francisco, the vibrancy of the city, the activity of maritime as well as the entire waterfront and the City of San Francisco, the diverse community and the excitement of the future.

  The Commission praised staff for the excellent video presentation. Commissioner McCarthy stated that it is a difficult and testy process and commended staff for doing a great job.

  Commissioner Brandon thanked staff and the Mya Design Group for their work.

4. REAL ESTATE

A. Approval of MOU with Recreation & Park for a skateboard ramp storage at Pier 24 Annex. (Resolution No. 00-94) ***This item was taken off calendar.***

5. ENGINEERING & MAINTENANCE

A. Authorization to execute Contract Modification No. 2 for Construction Contract No. 2658, "Piers 1-1/2 to 5 Marginal Wharf Repair, Phase I", with Power Engineering Contractors. (Resolution No. 00-88) (Staff report provided to the Commission.)

Mr. Alex Lee, Director of Engineering & Maintenance, presented the item and requested Commission's approval.

In response to Commissioner Brandon's inquiry regarding commencement of work, Mr. Lee replied that work would commence in January 2001.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-88 was adopted.

B. Authorize staff to proceed with the process of vacating portions of the Embarcadero and Folsom Street. (Resolution No. 00-90)

Mr. Alex Lee, Director of Engineering & Maintenance, presented the item and requested Commission's approval.

Commissioner Brandon asked about the reason for the street vacation. Mr. Lee replied that this is a notification process to owners of the utilities underneath the street. The vacation of the streets is for the development of the park and the restaurant.

Commissioner Brandon reminded staff that the Commission asked for a presentation of the Rincon Park Restaurant's final design. Ms. Kari Kilstrom replied that staff will provide the presentation some time in January.

ACTION: Commissioner McCarthy moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-90 was adopted.

C. Authorization to award Construction Contract No. 2648, "Piers 48 & 50 Fire Protection" to the lowest responsive bidder. (Resolution No. 00-92)

Mr. Alex Lee, Director of Engineering & Maintenance, presented the item and requested Commission's approval.

Commissioner McWilliams indicated that in the current construction market, it is hard to get a legitimate bid because of the abundance of work and shortage of workers. If the vacant positions are filled at the Port and staff performs some of the construction projects, the Port would realize considerable savings. He asked about the cost if the work is done in house. Mr. Lee concurred with Commissioner McWilliams' assessment of the Port realizing considerable savings if the work is done in house. In

the last few years, he requested a number of capital projects from the Mayor's office and was able to hire 50 new Maintenance employees to do the work. The Port's Maintenance Department has been working on deferred maintenance or maintenance work. The City Charter, however, requires that all major construction work be contracted out.

Commissioner McWilliams asked if the low bid is a legitimate bid. Mr. Lee replied that the bidding has been consistent. Sometimes, they were able to do the work without using up all the contingency funds. He gave credit to the engineering staff for handling the construction work pretty well. With regard to the low bid, if the contractor is responsible and responsive, Port staff does not have a choice but to accept it.

Commissioner McWilliams indicated that the tendency in the current construction market is to bid high. He asked how the Port decide whether it is a legitimate bid or not other than it is the lowest bid. Mr. Lee replied that they base the lowest bid from the engineer's estimate.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-92 was adopted.

D. Informational Presentation on Wharf J-10.

Mr. Alex Lee, Director of Engineering & Maintenance, gave a short status report of Wharf J-10. The Port's Maintenance Department removed the crab pots and provided temporary boiler for cooking crabs. They also provided brand new concrete pads for the crab pots. They installed a brand new sewer and water line. He commended the Engineering and Maintenance staff for their work.

In terms of temporary shoring, staff placed the six piles to support the northwest portion of the building and is working on the additional support system. The temporary shoring will not make the pier and building safe to occupy but will keep it from falling down. This will allow time for the Port to determine what the next steps would be for the pier and the building.

Port staff met with the Fisherman's Wharf Advisory Group this morning and presented the following options for reconstruction, repairs or demolition of the facility per the emergency declaration:

1. Retain the existing building, retrofit it and replace the existing wharf with a new substructure.
2. Replace both the building and the wharf substructure with totally new basic structures.
3. Replace both the building and the wharf substructure with totally new structures, but replicate historical elements into the new building.
4. Demolish the existing wharf, building and seawall and replace them with a new wharf and a concrete seawall but no building.

5. Demolish the existing wharf and building and place riprap from the top of the embankment to a point below the low water elevation.

Mr. Lee indicated that staff is not advocating one option over the other. They are working on the design criteria and cost for each option. Staff will review the findings with the community and affected tenants before a final report will be issued. A copy of the report will be sent to the Commission for their review and input.

Commissioner Brandon requested staff to keep track of the project cost, for future reference. Mr. Lee concurred.

Commissioner Lee asked why the Port is spending $250,000 for temporary work when the pier could be repaired permanently instead of temporarily. He asked who would pay for the new construction. He recommended that the $250,000 be used to repair the pier permanently as it would be a waste of money to spend the $250,000 for temporary work now and then staff might recommend demolishing the pier at a later time. The pier is currently empty since the declaration of emergency. It seems to him that there is no immediate danger since the building is empty. He asked staff to reconsider spending $250,000 for temporary work.

Mr. Lee replied that the $250,000 is not just for the repair work but also for the current design including the above-mentioned options. Staff, so far, has spent $75,000 shoring the building. The $250,000 is part of the fee that the Port pays the consultant to come up with the criteria and the design for the new pier.

Commissioner Lee asked about the cost to repair the pier. Mr. Lee replied that the estimated cost is between $5-6 million for the pier and the building. According to the structural engineer, the pier is not repairable. The repair of the existing substructure is not recommended since the substructure is not safe to occupy.

Commissioner Lee asked if staff has consulted the two remaining tenants. Mr. Lee replied that during this process, staff would be consulting with the tenants.

Commissioner Brandon indicated that a final report and cost estimate would be completed in the next few weeks. By the next meeting, staff would be able to have a better idea of the cost of the options. Mr. Lee indicated that staff will meet with the tenants first to get their input before presenting the final report to the Commission.

6. PLANNING & DEVELOPMENT

A. Authorization to enter into a professional services contract with consultant team to evaluate proposals received in response to the Piers 27-31 Mixed Use Recreation Development Project Request for Proposals and to assist with negotiating the development agreement and lease for this development project. (Resolution No. 00-89)

Mr. Kirk Bennett, Waterfront Development Project Manager, presented the item and requested Commission's approval.

In response to Commissioner McCarthy's inquiry about the expected number of responses, Mr. Bennett estimated that staff expects to receive approximately 2 or 3 proposals.

Commissioner Lee asked about the hourly rate for the Phase 2 project. Mr. Bennett replied that it varies depending upon the particular consultant. For example, the principal for the Bay Area Economics hourly rate would be $175 and $125 for a senior associate.

Commissioner McWilliams hoped that the Commissioners would have an opportunity to interact with the consultants to address any of their concerns or issues before the analysis is done.

Commissioner Brandon thanked Mr. Bennett for his thorough staff report.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-89 was adopted.

B. Approval of Extension of Exclusive Negotiations for Mixed-Use Development at Pier 24½. (Resolution No. 00-91)

Ms. Kari Kilstrom, Development Project Coordinator, presented the item and requested Commission's approval.

Ms. Kilstrom indicated that the Port is currently in exclusive negotiations with Metropolis Partners for the development and reuse of Pier 24 Annex. The exclusive negotiating agreement expires on December 14. Staff is recommending that the Commission extend the negotiating period with Metropolis for sixty days or until February 14, 2001, by which time, the developer must complete specific performance benchmarks outlined in the staff report including enter into a preliminary sublease commitment/letter of intent with a proposed user of the building, submit an update to Port staff of the conceptual design, the economic return to the Port and financial viability and agree on a schedule for project development. If all these items are accomplished to the Port's satisfaction, the exclusive negotiation period would be automatically extended to June in order to prepare a lease and/or development agreement documents. There are two primary reasons for the Port to extend its negotiation agreement for the limited period suggested: (1) the developer has been acting in good faith in pursuit of the project. They assembled a design and engineering team to examine engineering solutions to bring the 65-year pile supported warehouse up to current seismic codes. The team examined the method and cost to provide water, power and sewer utilities to the building of which there are currently none. They have been considering various design scenarios that would be compatible with other Port buildings along the waterfront and the neighborhood. These efforts have been time consuming, costly and have been ongoing during the period of negotiations. (2) The added time allows the Port to pursue its long-term goal of reuniting the City with its waterfront. The purpose of the RFP was to redevelop one of the Port's underutilized pier buildings with uses authorized in the Port's Waterfront Land Use Plan. The

extension of time is limited. The goals for the developer are very specific. The extension would maintain an opportunity for the Port to fulfill its goals and objectives for the waterfront.

Commissioner Brandon asked about the extension provisions in the original negotiation agreement. Ms. Kilstrom replied that the original Exclusive Negotiation Agreement provides for a 4-month negotiating period with four one-month extensions. The negotiation period has been extended twice.

Commissioner Brandon asked how much the Port charged for previous extensions. Ms. Kilstrom replied that aside from the original $25,000 negotiating fee, the developer has paid $5,000. One six-month extension was granted at no cost. Staff is recommending that the developer pay $5,000 for the proposed extension.

Commissioner Brandon asked why we are not now at the point of considering a lease rather than having to wait until February for another extension through June; what still needs to be done?

Ms. Kilstrom replied that the developer is in discussions with several proposed users but has not concluded discussions with a single proposed user. In the exclusive negotiation agreement, the Port retains the right to review and approve any proposed use of the building. The additional sixty-day period would give them a limited time to come to closure and give them specific benchmarks to meet. They have expended a lot of effort thus far.

Commissioner Brandon indicated that to hold up that site for that length of time with no fee does not make any sense. Commissioner McCarthy concurred with Commissioner Brandon and added that staff needs to give the developer an ultimatum that this [extension] would be the final extension since the negotiation has been going on for a long time and the Port will charge for each extension of the negotiation period. The developer needs to come up with something. Commissioner Brandon indicated that it would not automatically renew; it renews with another fee.

Ms. Kilstrom clarified Commissioner Brandon's recommendation: That after the sixty days extension, there would be an additional fee for the four months that it would take to negotiate an agreement.

Commissioner Brandon indicated that we should have charged for the last one [extension] as well.

Commissioner McWilliams asked how many proposals the Port received for the RFP. Ms. Kilstrom replied that staff received one proposal.

Commissioner Brandon asked if the original Agreement imposed a fee for the four one-month extensions. Ms. Kilstrom indicated that the Agreement states that the developer can exercise each one-month option by written notice along with a payment of $5,000.

Executive Director Wong indicated that during the summer the X-Games stored some of their equipment at Pier 24. The Port did not charge the developer any fee while ESPN was using the property.

Commissioner Brandon asked if ESPN paid any rent to the Port. Mr. Wong replied that the Port is working with the City regarding ESPN's large obligation to the City.

Commissioner Brandon indicated that the developer is not occupying the premises. Whatever happens on the premises does not have anything to do with the developer trying to negotiate this lease and finding something to do with that property. If the Commission grants this 60-day extension of time to the developer, a fee of $10,000 would be required. If they want to continue with the negotiations, the developer would be charged $5,000 a month as agreed in the original Negotiating Agreement.

Ms. Kilstrom clarified that the Commission is authorizing staff to amend the existing exclusive negotiation agreement so the Commission can give staff revised direction for that amendment. The existing agreement is in effect until December 14, 2000

Commissioner McCarthy offered an amendment recommending a $5,000 fee for each 30-day extension period. Ms. Kilstrom clarified that if the developer needs the extra four months, they would be charged $5,000 each month until the negotiation is concluded. Commissioner McCarthy indicated that they have to have met all of the benchmarks in order to continue.

Commissioner McWilliams asked if the $5000 per month fee is consistent with the original language of the Negotiating Agreement. Ms. Kilstrom stated that the Agreement states that the developer would be charged $5,000 for each one-month option period.

ACTION: Commissioner McCarthy moved approval as amended; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-91 was adopted.

C. Approval of Memorandum of Understanding between the Port and the Bay Area Sports Organizing Committee (BASOC), in conjunction with the Mayor's Office to include various Port property sites as possible venues for the City's bid to host the 2012 Olympics. (Resolution No. 00-93)

Ms. Anne Cook, Acting Director for Planning & Development, presented the item and requested Commission's approval.

Commissioner Brandon asked for an explanation of the last "resolved" clause in the resolution. Ms. Cook replied that with most of the approvals the Commission gives the Executive Director, he has some leeway to make modifications and changes in the MOU to facilitate the direction from the Commission.

Legal Counsel Rob Maerz from the City Attorney's office indicated that the resolution was drafted contemplating that additional changes will be made when in fact the MOU

has been finalized and approved by the City Attorney's office as to form and it does not require additional changes. However, if the Commission would direct the Executive Director to make changes to the MOU, it could do so. The attachments would be the footprint for the designated Port facility. The facility that is under consideration for one of the Olympic events is Piers 27-31. The MOU is structured such that the Port can designate any facility or any property that it has and to preserve the right to make sure that there is no interference for the development of the Recreation Center. The Port can designate any facility to accommodate the event. The MOU is strictly for the cycling event; it does not contemplate the use of Embarcadero.

Commissioner McWilliams asked if this obligates the Port to provide that facility. Mr. Maerz indicated that the intent of the MOU is for the Commission to give its conceptual approval to the utilization of Port property for the cycling event. The MOU contemplates that there would be a subsequent license agreement wherein the material terms would be flushed out including the specific facility and the rental payment. The license agreement would have to be approved by the Port Commission. The bid is due December 15. In order to meet BASOC timeline, all of the MOUs are currently being considered by various entities. Other San Francisco sites being considered are: 3COM Park for soccer, Polo field for beach volleyball, Treasure Island for the sailing center, Moscone Center, Bill Graham, Cow Palace and Pac Bell.

Commissioner McWilliams asked if signing the MOU would mean it would have to happen on Port property or the Port would be responsible for finding a place for it. Mr. Maerz replied that the Port would be committing to enter into good faith negotiations to find a Port property suitable for cycling. The specifics would be addressed in the license agreement.

Commissioner Hardeman indicated that the Commission would be giving its blessings to the BASOC.

Commissioner Lee asked if once the facility is identified, does the Port need to keep it empty until 2012? Mr. Maerz replied that the Port could utilize the property. The MOU is conditioned on the USOC (United States Olympic Committee) selecting San Francisco in year 2002 as the US candidate City and the IOC selecting San Francisco as the host city in the year 2005. Twelve months after that, the Port would have an obligation to enter into good faith negotiations with BASOC to establish the terms of the license agreement for identifying Port property. Once the Port identifies the facility, the Port's commitment is during the exclusive use period, approximately one month in the last week of July through the first three weeks of August, during that period of time, the Olympics BASOC would have exclusive use of that facility but during the rest of the time, it would be available for use.

ACTION: Commissioner Hardeman moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-93 was adopted.

D. Informational Presentation on the Use of Warm Water Cove as an Off-leash Dog Park.

Ms. Veronica Sanchez, Governmental Affairs Manager, presented the informational item. On November 14, 2000, the Board of Supervisors' Recreation and Parks Committee urged the Department of Recreation and Parks (Rec & Park) to make its best efforts to reach an agreement with the Port to build and maintain an off leash dog park at Warm Water Cove. The ordinance calls for Rec & Park to build and operate the park. It also states that, pursuant to its agreement with the Port, Rec & Park will hold a series of public meetings to solicit public comment on proposed improvements to the property and the elements of a suitable operational plan for the property.

Warm Water Cove was originally created by the Port to provide public access and open space as mitigation for a BCDC permit for shoreline stabilization repair work at the foot of 24th Street. The Port's gardener currently provides maintenance for the Park, but vandalism and litter continue to be a problem. The proposed off-leash Dog Park would be an enclosed one acre area.

The amount of funding needed to make these improvements and identifying sources of funding still need to be resolved. The Port has informed Rec & Park and Supervisor Katz's office that Port does not have capital funds allocated to construct the park. The MOU with Rec & Park will be limited to use of the property for an off-leash dog area for specified terms and will not include obligations by the Port to fund costs. Pursuant to the legislation, the MOU will not require the Port to incur any additional maintenance responsibilities that we do not already have. Once the ordinance has finally passed the Recreation and Parks Department and Port staff will begin discussion on developing an MOU.

Commissioner Brandon asked if people use the park. Mr. Dan Bell, project manager, replied that this park is not used by the public since it is isolated and it is located in a heavy industrial area with no lighting available.

7. NEW BUSINESS / PUBLIC COMMENT

8. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner McCarthy moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

At 4:20 p.m., the Commission withdrew to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.*** *

a. Property: Pier 70
Person Negotiating: Port of San Francisco: Anne Cook, Acting Director, Planning & Development

b. Property: Bryant Street Pier Project
Person Negotiating: Port of San Francisco: Anne Cook, Acting Director, Planning & Development
*Lend Lease: Glenn Elkington

c. Property: Pier 40
Person Negotiating: Port of San Francisco: Theresa Picon, Real Estate Director
*Dolph Rempp Sailing Ship: Dolph Rempp

d. Property: Pier 1-½, 3 and 5
Person Negotiating: Port of San Francisco: Kirk Bennett, Manager Waterfront Development Projects

e. Property: Pier 1
Person Negotiating: Port of San Francisco: Kirk Bennett, Manager Waterfront Development Projects
*AMB Property Corporation: Janice Thacher

f. Property: Ferry Building
Person Negotiating: Port of San Francisco: Alec Bash, Waterfront Planner, Special Projects
*Wilson Cornerstone: Chris Meany

g. Property: Bayfront Park @ Mission Bay
Person Negotiating: Port of San Francisco: Peter Dailey, Maritime Director
*Catellus: Eric Harrison

h. Property: Pier 45 Shed A
Person Negotiating: Port of San Francisco: Doug Wong, Executive Director
*Malrite: Dennis Barrie

At 6:37 p.m., the Commission returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval to not disclose any information discussed in executive session; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 6:37 p.m.

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canceled
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PORT OF SAN FRANCISCO

NOTICE OF CANCELLED MEETING

The following Regular Port Commission Meeting has been cancelled:

DECEMBER 12, 2000 @ 4 P.M.

The following Special Port Commission Meeting has been scheduled:

DECEMBER 20, 2000 @ 3 P.M.

in the Port Commission Room
Suite 3100, Ferry Building
San Francisco, CA 94111
(415) 274-0406

Fax 12/1/00
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DECEMBER 2000/JANUARY 2001
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
December 12 *(Cancelled)*	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
December 20 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room Ferry Building
January 9	4:00 p.m.	Port Commission	Port Commission Room Ferry Building
January 23	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Port Commission Room, Ferry Building.

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings.

The Southern Waterfront Advisory Group meets regularly on the 2nd Monday of the month at 5:30 p.m. in the Port Commission Room, Ferry Building.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 for more information.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

Port Website

Check out the Port's Website at **www.sfport.com**

Questions/Contacts

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Pier 70 Advisory Group	Anne Cook	274-0483
Northeast Waterfront Advisory Group	Kirk Bennett	274-0545
Ferry Building Waterfront Advisory Group	Alec Bash	274-0539
Bryant Street Pier Advisory Group	Anne Cook	274-0483
Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Shawna Horde	274-0400

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SPECIAL MEETING
3:00 P.M., WEDNESDAY, DECEMBER 20, 2000
FERRY BUILDING, SUITE 3100, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - November 20, 2000 Special Meeting
   - November 21, 2000 Special Meeting

3. **EXECUTIVE**

   A. Executive Director's Report
   - Responses to the Piers 27-31 Mixed Use Recreation Development Project RFP.

4. **OPERATIONS**

   A. Approval of Employee Recognition Awards for Calendar Year 2000. (Resolution No. 00-98) (Staff report provided to the Commission.)

   B. Authorization to Issue a Request for Proposals (RFP) to Software Vendors to Provide the Port with a Facilities Maintenance Management System. (Resolution No. 00-99) (Staff report provided to the Commission.)

5. **MARITIME**

   A. Approval of ten-year lease with Baydelta Maritime (Lease No. 12984) for portions of Pier 15. (Resolution No. 00-100) (Staff report provided to the Commission.)

   B. Approval of First Amendment to Lease No. L-12853 with Big C Traders at Pier 19-23. (Resolution No. 00-101) (Staff report provided to the Commission.)

6. **REAL ESTATE**

   A. Informational Briefing on San Francisco Redevelopment Agency's South Beach Park and Harbor Expansion Project at Pier 40.

7. **ENGINEERING & MAINTENANCE**

   A. Informational Presentation on Wharf J-10 located in Fisherman's Wharf at Fish Alley and Leavenworth Street.

   B. Authorization to execute a contract modification to Contract No. 2613 for the Downtown Ferry Terminal Project to include the Alternate Bid Item "Breakwater" in

an amount not to exceed $2.2 million. (Resolution No. 00-103) (Staff report provided to the Commission.)

C. Approval of the Seventh Amendment with ROMA Design Group to extend the construction support services during the course of the ferry terminal construction contract; modification amount is $239,292. (Resolution No. 00-104) (Staff report provided to the Commission.)

D. Authorization to award Contract No. 2666, "China Basin Shoreline Stabilization Project" to the lowest responsive bidder, Peak Engineering, for $397,400 plus 10% contingency. (Resolution No. 00-105) (Staff report provided to the Commission.)

E. Authorization to advertise Contract No. 2670, "Pier 34 Demolition." (Resolution No. 00-102) (Staff report provided to the Commission.)

8. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

9. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Pier 1-½, 3 and 5
Person Negotiating: Port: Kirk Bennett, Manager Waterfront Development Projects
*Embarcadero Waterfront Partners LLC: Mike Kelly
*San Francisco Waterfront Partners LLC: Simon Snellgrove
*Watermark Partners LLC: Joseph Sherman

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at Pier 1-½, 3 and 5.

b. Property: Piers 27-31
Person Negotiating: Port: Kirk Bennett, Manager, Waterfront Development Projects
*Chelsea Piers Management, Inc.: Roland W. Betts
*The Mills Corporation: Edward B. Vinson

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at Pier 27-31.

c. Property: Pier 30/32 and SWL 330
Person Negotiating: Port of San Francisco: Anne Cook, Manager, Waterfront Development Projects
*San Francisco Cruise Terminal LLC: Glen Elkington

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations with San Francisco Cruise Terminal LLC regarding the Bryant Street Pier Project.

d. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Byron Rhett, Director of Planning and Development.
*Municipal Railway: Kerstin Magary

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the Western Pacific Property @ 25th & Illinois.

e. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Byron Rhett, Director, Planning & Development
*Malrite Group: Dennis Barrie

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding property located at Pier 45, Shed A.

10. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.
B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

11. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's web site at www.sfport.com.

DECEMBER 2000/JANUARY 2001
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
December 20 *(Special)*	3:00 p.m.	Port Commission	Port Commission Room
(Please note the location of the meeting)			
January 9	4:00 p.m.	Port Commission	***Gabbiano's Restaurant***
January 23	4:00 p.m.	Port Commission	Port Commission Room Ferry Building

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Southeast Waterfront Advisory Committee	Braj Norris	274-0540
Port of San Francisco Reception	Shawna Horde	274-0400

ACCESSIBLE MEETING INFORMATION

The Port Commission office is located on the third floor of the Ferry Building, Suite 3100. The Port office is wheelchair accessible. Accessible seating for persons with disabilities (including those using wheelchairs) will be available. The closest accessible BART and MUNI Metro station is Embarcadero located at Market and Spear Streets. Accessible MUNI lines serving the Ferry Building are the 9, 31, 32 and 71. For more information about MUNI accessible services, call 923-6142.

Accessible parking is provided in the small parking lots adjacent to the Ferry Building; three spaces in the north lot and two spaces in the south lot. These spaces are usually full during business hours. Due to the ongoing construction of the Mid-Embarcadero Roadway Project there are currently no curbside passenger unloading and loading areas. The area of the north parking lot adjacent to the north building entrance should be used for this purpose. Parking is available at Rincon (Spear between Mission & Howard), One Market Plaza (Spear between Market & Mission), Embarcadero Center 4 (Clay between Davis & Drumm) and 50 California Garage (Sacramento between Davis & Drumm). There are two accessible entrances into the World Trade Center (north wing of the Ferry Building); one on the north and the main entrance on the west (Embarcadero). The west entrance is provided with two doors in series that can be operated automatically. Both entrances lead to the elevator lobby. The two elevators are accessible and lead to the third floor location of the Port of San Francisco's office, Room 3100. The ramp from the lobby to the third floor is too steep to be considered an accessible path of travel. Public restrooms and drinking fountains on the first floor of the World Trade Center (north wing of the Ferry Building) are accessible, as well as the central restrooms within the Port's office area.

Assistive listening devices are available for use in the Port Commission Meeting. The following services are available on request 72 hours prior to the meeting: (1) American Sign Language Interpreters; (2) A Sound Enhancement System; (3) The use of a reader during the meeting and (4) copies of the agenda or minutes of the meeting in alternative formats. Please contact Kevin Jensen, the Port's ADA Coordinator at (415) 274-0555. Late requests will be honored if possible. Please contact the Commission Secretary at (415) 274-0406 should you require large print of the agenda.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical-based products. Please help the City accommodate these individuals.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PLEASE NOTE
CHANGE OF MEETING LOCATION

- **January 9, 2000 @ 4 p.m.**
  Port Commission Meeting
  Gabbiano's Restaurant (located behind the Ferry Building)

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
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MEMORANDUM

December 7, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Employee Recognition Awards for Calendar Year 2000

Last year, Port staff instituted a program to recognize employees who make noteworthy contributions to the Port that enhance the performance and service provided to customers, tenants, users, the maritime industry, the Port, City departments and the general public. The policy further provides a system for annually recognizing employees who have completed five, ten, fifteen, twenty, twenty-five, thirty, thirty-five, and forty years of continuous service for the Port. A copy of the memorandum issued to employees this year and a description of the program is attached.

This year the Directors selected two individual employees and three teams for employee recognition awards based on outstanding performance during the year. It is noteworthy that many of the nominations received this year were for teams rather than individuals. Port staff is in the process of developing more cross-functional teams to improve many of its operations. We have learned that employees with different technical knowledge and experience, working together to achieve a goal, produce an improved work product. It is exciting to ponder what the Port will be able to accomplish when improved work processes and teaming become an even larger part of the organizational framework of the Port.

The employees selected for the awards based on their noteworthy performance are as follows:

- **Belen Afable**, Personnel Analyst in Human Resources Office, for her consistent exemplification of the Port's customer service model, demonstrated through her interactions with job applicants, new and continuing employees and the general public.

- **Amy Quesada**, Commission Secretary and Secretary to the Executive Director, for her outstanding competence and efficiency in organizing the Port Commission agenda, providing information to the Commissioners, and effectively managing communications between the Commissioners and the staff.

- The team of **Diane Oshima** and **Alec Bash** for successfully completing negotiations with the Bay Conservation and Development Commission and the Save the Bay Association for the new Special Area Plan and Amendments to the Waterfront Plan.

- The team of **Ed Byrne, John Davey, Kevin Jensen, Chris Kiesselbach, Kari Kilstrom, Gary Silvestri,** and **Ken Yee** for their efforts and success in completing the temporary Ferry Landing barge for the San Francisco Giants at Pac Bell Park in time for opening day.

- The team of **Nieret Mizushima** and **Veronica Sanchez** for obtaining the funding for and successfully managing of the Downtown Ferry Terminal design and construction project.

Plaques commemorating this recognition have been produced for the individually recognized employees and teams. Certificates of recognition will be given to each of the team members. I would like to take this opportunity to thank the recognized employees for their hard work and dedication to the Port.

Many other deserving employees were nominated for awards this year and I thank them all for their dedication to the Port. I sincerely hope that the enthusiasm for the program will continue in future years.

In addition to the above, the Employee Recognition Program provides for recognition of employees for their years of continuous service to the Port. The following employees are being recognized for completion of at least five, ten, fifteen, twenty, or twenty-five years of service. Lapel pins with the number of years of service will be distributed to those employees who have reached the threshold of service indicated below.

25 years

Lonnie Alfano	Don Dodson

20 years

Alex Chong	Kevin Patterson
Rich Corcoran	Jerry Rosicky
Rick Johnson	Tony Umali
George Kennady	Ken Yee

15 years

Belen Afable	Ma. Editha Jabon
Fannie Chu	Amy Tsao
Wilfredo Delizo	Virna Wu

10 years

Jeff Bauer
Earl Cater
Anne Cook
Ellen Dehr
George Dudley
Floristine Johnson
Giovanni Martinez
George Onyemem
Elliott Riley
John Scully

5 years

Rochelle Alvir
Carol Bach
Irene Chan
Fe Erfe
Dave Howlett
Kevin Jensen
Mel Long
Eliza Ngo
Bruce Samson
Nick Sarantes
Warren Young

Prepared by: Karen Clopton
Chief of Operations

PORT COMMISSION
CITY & COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-98

WHEREAS, Port managers have established a program to recognize employees who make noteworthy contributions to the Port that enhance the performance and service provided to customers, tenants, users, the maritime industry, the Port, City departments and the general public; and

WHEREAS, the program also instituted a system for recognizing longevity of service to the Port; and

WHEREAS, two individual employees and three teams of employees who were nominated by their peers have been selected for recognition this year; now, therefore, be it

RESOLVED, that recognition be given to Belen Afable and Amy Quesada for their outstanding individual contributions to the Port in the Year 2000; and, be it further

RESOLVED, that recognition be given to Alec Bash and Diane Oshima for their outstanding contribution and teamwork in the successful completion of negotiations with the Bay Conservation and Development Commission and the Save the Bay Association for the new Special Area Plan and Amendments to the Waterfront Plan; and, be it further

RESOLVED, that recognition be given to the team of Nieret Mizushima and Veronica Sanchez for obtaining the funding for an successfully managing the Downtown Ferry Terminal design and construction project; and, be it further

RESOLVED, that recognition be given to the team of Ed Byrne, John Davey, Kevin Jensen, Chris Kiesselbach, Kari Kilstrom, Gary Silvestri, and Ken Yee for their efforts and success in completing the temporary Ferry Landing barge for the San Francisco Giants at Pac Bell Park in time for opening day; and, be it further

RESOLVED, that recognition be given to employees on their fifth, ten, fifteen, twentieth, and twenty-fifth years of continuous service to the Port of San Francisco.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of December 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

December 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Issue a Request for Proposals (RFP) to Software Vendors to Provide the Port with a Facilities Maintenance Management System.

DIRECTOR'S RECOMMENDATION: APPROVE RESOLUTION AND GRANT AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSALS (RFP) TO SOFTWARE VENDORS TO PROVIDE THE PORT WITH A FACILITIES MAINTENANCE MANAGEMENT SYSTEM.

The Port's current maintenance management capability relies upon a custom developed Work Management System (WMS) and a number of outdated, inadequate, and cumbersome pieces of software and manual procedures that are inefficient and ineffective. The system supports a minimal portion of the process required to maintain and preserve the Port's assets.

The Maintenance and Information Systems departments have jointly documented requirements in an RFP to acquire software and services to implement a Facilities Maintenance Management System (FMMS) to replace the current WMS. Such a system is required to improve efficiency and effectiveness in the areas of work order/work request management, preventative maintenance, equipment / location / asset tracking, inventory, work planning, job scheduling, and project tracking. The Port is seeking a commercial, off-the-shelf product that can be implemented with a minimum of customization.

Implementation of a modern FMMS will streamline maintenance processes with the ability to prioritize and schedule work, improve communication between the Port's administrative staff and service providers, increase efficiency in day to day operations, and help to reduce maintenance costs.

THIS PRINT COVERS CALENDAR ITEM NO. 4B

Port staff intends to select a vendor to provide this software through a competitive proposal process. The proposals will be evaluated based on weighted criteria that includes the following factors:

- Product and services meet the requirements defined in the RFP
- Support, training, documentation and implementation plan
- Experience in similar projects of scale and complexity
- Costs for software license, maintenance, implementation and training
- Compatibility with the Port's technical infrastructure

Selected vendors will be asked to participate in an interview and product demonstration process. A vendor will be selected based on the quantitative analysis of the RFP and the qualitative analysis of the interview and demonstration.

The Port staff has estimated that the cost for this software, in addition to services for implementation assistance, is approximately $500,000. This amount has been included in the Port IS Budget for FY 2000/2001, and the project has been approved by the CCSF Committee on Information Technology (COIT).

Therefore, to identify the most suitable software vendor for the Port's needs Port staff seeks authorization to issue an RFP to software vendors to provide a Facilities Maintenance Management System.

Prepared by Steve Martin, Information Systems

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-99

WHEREAS, Port staff has identified the need for a Facilities Maintenance Management System; and

WHEREAS, To address this need Port staff desires to purchase a software system from a vendor who has already developed such a system; and

WHEREAS, Port staff requests approval to issue a Request For Proposals (RFP) to software vendors to provide the Port with Facilities Maintenance Management System; and

WHEREAS, Port staff has estimated the cost to purchase and implement a software package of this nature is approximately $500,000; now therefore, be it

RESOLVED, That the Commission hereby authorizes staff to issue a Request For Proposals to solicit vendors to provide the Port with a Facilities Maintenance Management System.

I hereby certify the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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www.sfport.com

MEMORANDUM

December 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of 10-year Lease No. L-12984 with Baydelta Maritime for portions of Pier 15 (Green Street at The Embarcadero)

DIRECTOR'S RECOMMENDATION: Approve lease.

BACKGROUND

Baydelta Maritime operates five tugboats that provide ship assists and tanker escorts in San Francisco Bay. The owners have been Port of San Francisco tenants at Pier 15 since they acquired the company in 1993.

Baydelta provides essential harbor services to the shipping community and approximately 50 jobs for union and administrative personnel. The company has improved its fleet to include four state-of-the-art "tractor" tugs and one conventional tug.

Baydelta's previous lease (No. L-11894) expired on March 31, 1999, and they have been on a month-to-month lease since then. Due to business expansion, the owners expressed the need for additional shed space, plus the interest in a long-term lease. Port staff negotiated a new 10-year lease with Baydelta Maritime.

This Print Covers Calendar Item No. 5A

KEY TERMS OF NEW LEASE

1. Premises (all measures are approximate): 2333 square feet of office space; 11,413 square feet of shed area (almost tripling the existing area); 612 square feet of parking area; 13,454 square feet of stringer; 20,031 square feet of submerged land; located at Pier 15.

2. Expansion premises (measure is approximate): 119,675 square feet of shed space (entirety of interior of Pier 15). Baydelta has the right to first offer on the Pier 15 shed space occupied by Electric Transit, Inc., following the termination of their leases (L-12973 and L-12850). Rent would be at prevailing Maritime rates, and term would be concurrent with Lease No. L-12984.

3. Term: Ten (10) years commencing on December 1, 2000, subject to Port Commission approval, and terminating on November 30, 2010, unless earlier terminated in accordance with lease provisions.

4. Base Rent: $6629.57 per calendar month. Rates for office, shed, parking, and stringer are all within the parameters of the Maritime Rental Rate Schedule, approved by the Port Commission on June 29, 1999 (Resolution No. 99-49).

5. Permitted Use: Tugboat operations including berthing, vessel maintenance shop excluding hot works, shed storage area, support offices limited to existing office area, support parking for Baydelta Maritime and for no other purpose.

CONCLUSION

The primary goal of the Port of San Francisco is to promote our maritime industries, such as harbor services companies. Baydelta Maritime, a longtime Port tenant, exemplifies this type of company. They provide tugboat services vital to the San Francisco Bay shipping community, as well as jobs to 50 union and administrative employees. Their business is doing well and expanding. Baydelta Maritime is a thriving, water-based firm – an ideal tenant for the Port of San Francisco. The subject 10-year lease is mutually beneficial to the tenant and the Port. Therefore, Port staff recommends that the Port Commission approve the lease.

Prepared by: Michael Nerney, Maritime Marketing Representative

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-100

WHEREAS, Baydelta Maritime operates a modern fleet of five tugboats that provide ship assists and tanker escorts in San Francisco Bay, and

WHEREAS, The owners of Baydelta Maritime have been tenants of the Port of San Francisco at Pier 15 since they acquired the company in 1993; and

WHEREAS, Baydelta Maritime employs approximately 50 union and administrative personnel; and

WHEREAS, Baydelta Maritime requires additional space at Pier 15 to support its expanding business; now therefore be it

RESOLVED, That the Port Commission hereby approves the 10-year lease dated December 1, 2000, between the Port of San Francisco and Baydelta Maritime for portions of Pier 15 (Green Street at The Embarcadero), and authorizes the Executive Director to execute the Lease substantially on the terms set forth in the Memorandum to the Port Commissioners for Calendar Item 5A for the December 20, 2000, Port Commission meeting, in such final form as approved by the City Attorney, and to take all such further action as is necessary to implement the intent of this Resolution.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

December 11, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian Thomas McWilliams, Vice-President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF FIRST AMENDMENT TO LEASE NO. L-12853 WITH BIG C TRADERS AT PIER 19/23

DIRECTOR'S RECOMMENDATION: APPROVE FIRST AMENDMENT TO LEASE NO. L-12853 WITH BIG C TRADERS AT PIER 19/23.

On February 22, 2000 the San Francisco Port Commission approved a thirty (30) year lease (Lease No. L-12853) for Pier 19 and Pier 19/23 Bulkhead Building with Big C Traders in which Big C will operate Foreign Trade Zone No.3 (Port Commission Resolution No. 00-11). Big C Traders is creating a modern "virtual" Foreign Trade Zone involving the redevelopment of up to 50,000 square feet of the facility.

There have been unanticipated architectural and structural design costs associated with the project as a result of the public review process required by both BCDC and the City's Waterfront Design Advisory Committee. Big C Traders has asked the Port to be able to apply for rent credits associated specifically with the architectural and structural design costs of this Foreign Trade Zone development as of September 1, 2000. The current lease does not allow Big C Traders to apply the new development rent credit until March 2003, after completion of the project and certification of the costs.

This Print Covers Calendar Item No. 5B

Pursuant to the terms of the current lease, the design and construction of the new development would begin by July 1, 2000 and be completed by December 31, 2002. Beginning March 1, 2003, Big C Traders would be entitled to a Rent Credit equal to the lesser of (a) Big C Trader's actual "Certified Construction Costs" to design the New Office Space divided by the total square footage of the new construction and further divided by 120 months; or $.70 per square foot per month for the first 120 months following the third Anniversary Date (March 1, 2003 through February 28, 2013).

The lease also provides for one-time rent credits during the first three years of the lease term for replacement of the facility roof ($480,000), painting and waterproofing of the exterior walls ($165,000), and the repair of all roll-up doors to serviceable condition ($20,000).

Port staff recommends that this amendment be approved to give Big C Traders more flexibility in continuing with this new development of the Foreign Trade Zone and to reduce the impact of increased costs associated with the design review process for Big C Traders. The financial impact to the Port is nominal, as the amendment simply changes the timing of the rent credit schedule, not the amount or type.

PROPOSED FIRST AMENDMENT TO MANAGEMENT AGREEMENT

1. Section 44 (Tenants Right to Rent Credits for New Office Space)

   A. The architectural and structural design credit will be subject to a maximum of $420,000 (10% of maximum rent credit for New Office Space).

   B. Applicable credits can be applied up to a maximum of 50% of monthly rent and will be concurrent with one-time rent credits for repair of rolling doors, roof replacement, and waterproofing and painting.

   C. The New Office Space architectural and structural design credit will be deducted from final overall construction cost to be determined at completion of project.

Prepared by: Peter Dailey, Director of Maritime

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-101

WHEREAS, Section 3.581 of the Charter of the City and County of San Francisco empowers the San Francisco Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control lands within Port jurisdiction; and

WHEREAS, the San Francisco Port Commission approved Lease No. L - 12853 with Big C Traders at its meeting of February 22, 2000; and

WHEREAS, subsequent to the February 22, 2000 meeting, additional lease terms have been negotiated to include the application of rent credits associated with the renovation of the facility, specifically for structural and architectural design credits in an amount not to exceed $420,000, to be applied beginning on September 1, 2000; and

WHEREAS, the City Attorney has determined that such additional terms require Port Commission approval; now therefore, be it

RESOLVED, that the San Francisco Port Commission hereby authorizes the Executive Director to approve this First Amendment to Lease No. L-12853 with Big C Traders for Pier 19 and the Piers 19-23 Bulkhead on the terms and conditions set forth in the memorandum for this item, a copy of which is to be filed with the Secretary of the Port Commission, and to execute documents effecting said Amendment on behalf of the Port, in such form as is approved by the City Attorney.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

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Telephone 415 274 0400
Fax 415 274 0528
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MEMORANDUM

December 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Briefing on San Francisco Redevelopment Agency's South Beach Park and Harbor Expansion Project at Pier 40

DIRECTOR'S RECOMMENDATION: FOR INFORMATION ONLY; NO ACTION REQUIRED.

Background

The Rincon Point-South Beach Redevelopment Plan was adopted in January 1981 to transform a blighted district of aging warehouses, vacant lots and abandoned railyards into a vibrant, mixed-use residential neighborhood. As the catalyst for this transformation, the San Francisco Redevelopment Agency capitalized on the waterfront setting and undertook a program of public investment to create a small boat marina and neighborhood waterfront park in the area from Pier 40 to what is now the site of Pacific Bell Park (see Attachment A). In 1983, the Agency received an $8 million loan from the California Department of Boating and Waterways ("Cal Boating") and combined it with tax increment funding in 1985 and 1986 to construct South Beach Harbor, a public fishing pier and the first part of South Beach Park. Over the next ten years the Agency undertook additional improvements to South Beach Park including a landscaped lawn area, additional waterfront promenade and plaza area to provide access to the Bay, and installation of a major public sculpture in the park. These improvements are constructed on property owned in trust by the Port and leased by the agency through 2050.

This Print Covers Calendar Item No. 6A

South Beach Park and Harbor are not yet complete. The Harbormaster's office and maintenance facilities remain in temporary trailers, the waterfront promenade is unfinished, and public access at Pier 40 is limited to only a portion of the available area. At the same time, public interest is growing in opportunities to be at and on the water in South Beach through sailing programs, excursions and guest docking as well as through safe and attractive waterfront access.

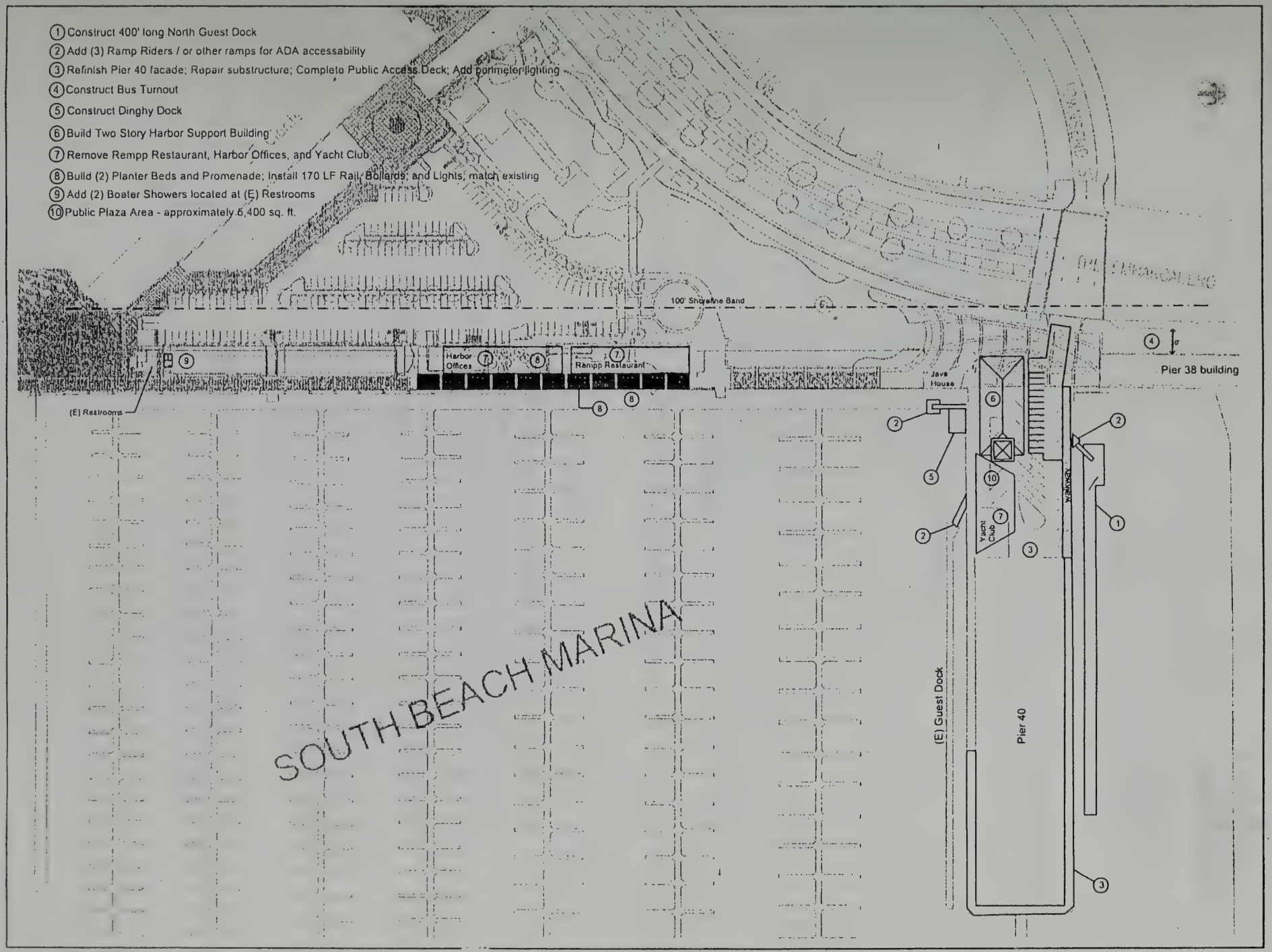
The planned project is designed to expand the park, improve public access to the water and provide permanent and appropriate upgrades to the Harbor facilities. The approved overall development budget for the project is $9.4 million including a $7.3 million Cal Boating loan and $2.1 million in tax increment bond funds.

South Beach Park and Harbor Improvement Program

The planned project consists of the following major elements:

1. Expansion of South Beach Park through the construction of a pedestrian plaza on the apron of Pier 40.
2. Construction of a Harbor Services Building on the apron of Pier 40 and consolidation of Pier 40 shed uses.
3. Completion of South Beach Park promenade.
4. Completion of public access walkway around Pier 40 and related facade improvements.
5. Construction of a guest utility dock on the north side of Pier 40.
6. Construction of a dinghy dock, accessibility improvements to the Harbor, and related Harbor and Park improvements.

Prepared by: Phil Williamson, Senior Property Manager


1 Construct 400' long North Guest Dock
2 Add (3) Ramp Riders / or other ramps for ADA accessability
3 Refinish Pier 40 facade; Repair substructure; Complete Public Access Deck; Add perimeter lighting
4 Construct Bus Turnout
5 Construct Dinghy Dock
6 Build Two Story Harbor Support Building
7 Remove Rempp Restaurant, Harbor Offices, and Yacht Club
8 Build (2) Planter Beds and Promenade; Install 170 LF Rail, Bollards, and Lights; match existing
9 Add (2) Boater Showers located at (E) Restrooms
10 Public Plaza Area - approximately 6,400 sq. ft.
100' Shoreline Band
Harbor Offices
Rempp Restaurant
(E) Restrooms
Java House
Pier 38 building
Yacht Club
(E) Guest Dock
Pier 40
SOUTH BEACH MARINA

SFRA

San Francisco Redevelopment Agency

770 Golden Gate Avenue
San Francisco, CA 94102

South Beach Harbor Expansion Project

SHEET DESCRIPTION

PLAN

NO	DATE	BY	DESCRIPTION

JOB NUMBER
DATE 1/18/08
DRAWN BY
CHECKED BY

SHEET NUMBER

1

Attachment A

PORT OF SAN FRANCISCO

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MEMORANDUM

December 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Briefing on Wharf J-10 Located in Fisherman's Wharf at Fish Alley and Leavenworth Street

DIRECTOR'S RECOMMENDATION: FOR INFORMATION ONLY; NO ACTION REQUIRED.

Background

In early August, 2000, Port staff observed that the northeast corner of the Wharf J-10 Building at Fish Alley ("Building") was settling and requested an independent engineering consultant, Structus Inc., to perform a site observation of the Building substructure. (A site map showing the location of Wharf J-10 is attached) Structus observed that the structural members of this substructure were severely deteriorated, and concluded that the Building was unsafe to occupy. The Port Commission therefore declared an emergency on August 23, 2000 for this Building, which led to condemnation of the Building and the Port's order to the two leaseholders to vacate the Building. The two existing leaseholders are California Shell Fish Company and F. Alioto Fish Company (also known as Alioto Lazio Fish Company). Both of these businesses have 61-year leases for portions of the Building, with terms that extend until 2036.

The Port assisted the existing leaseholders with their move out of the Building and with the continuation of their business at Fish Alley. In particular, the Port aided Alioto Lazio by moving their storage to another location, relocating their hoist and assisting their contractors to relocate their crab cooker.

This Print Covers Calendar Item No. 7A

Based upon the Port Commission's emergency declaration regarding Wharf J-10, the Port entered into an engineering and architectural services contract with a group of consultants to design a stabilization plan and evaluate the potential future of the facility. This contract provided for two phases of work. Phase I provides for assistance with the design of temporary shoring to stabilize the Building structure. Phase II provides for the evaluation of five conceptual options for the future disposition of the Building. The consulting team is led by Structus Inc., structural engineers, and includes as subconsultants: Arcus, architects and code consultants; Kahn & Associates, seafood processing facility specialists; Transpacific Geotechnical Consultants; and Don Todd Associates, cost estimators. The team includes Architectural Resources Group (ARG), who provided a historical evaluation of this Building under a separate contract.

Phase I Temporary Stabilization

The Phase I Temporary Stabilization design and construction is complete. The emergency stabilization was performed to prevent the Building from collapsing into the bay. The stabilized Building remains unsafe for occupancy, but it should remain standing for up to two years, while appropriate options for disposition for this Building are evaluated. The Building should be demolished or repaired within the next two years to mitigate the unsafe condition and avoid potential collapse.

Phase II Engineering Study

The Phase II Wharf J10 Facility Engineering Study evaluated five different conceptual options for the future use of the Building. (A copy of this Revised Draft Report has been sent to you under separate cover) As a part of this analysis, the study evaluated the current requirements for fish processing facilities. All of the options were considered within the context of the future utility of the Wharf J10 facility for the fishing industry. Three of these options (Options B, C and D) would maintain fishing industry use of this site. Option E reserves the site for future improvement for fishing industry uses. It is noteworthy that Option A, which would replace the substructure and retrofit the existing building, would not meet current seafood processing requirements.

The options presented in the report are summarized in the table below. A Draft Copy of this Engineering Study has been given to the two existing leaseholders of the Building. In addition, this study has also been presented to the Fisherman's Wharf Waterfront Advisory Group.

OPTION	Meets Seafood Processing Requirements	Preliminary Estimated Cost (± 25%)
OPTION A – Replace the substructure and retrofit the existing building	NO	$12 million
OPTION B – Replace the substructure and build a new seafood processing facility consistent with the architectural character of the Fish Alley area	YES	$8.0 million
OPTION C – Replace the substructure and build a new seafood processing facility incorporating additional architectural features of the existing building	YES	$9.0 million
OPTION D1 – Replace with a wood wharf (No Building)	Fish receiving from vessels only	$3.0 million
OPTION D2 – Replace with a concrete wharf and seawall (No Building)	Fish receiving from vessels, but potential for future seafood processing	$4.5 million
OPTION E – Replace with rip-rap covered embankment	NO	$0.75 million

Historical Resources Study

As referenced above, the Port's Planning and Development Division contracted with ARG to conduct an architectural and historical resource evaluation of the Fish Alley Area, which included the Building. This evaluation was undertaken as a part of the Fish Alley Area planning process now being undertaken with the Fisherman's Wharf Waterfront Advisory Group. This assignment involved researching, identifying, and evaluating the architectural and historic resource significance of properties that comprise the study area. Based upon this work, ARG concluded that:

- No resources within the study area qualify individually or collectively as a district for the National Register of Historic Places.

- No resources within the study area qualify individually for the California Register of Historical Resources as their significance is derived from their collective association with the San Francisco fishing industry.

- Three structures within the study area, including the boat building sheds at 2907-2909 and 2911 Jones Street and the Wharf J10 Building, appear to be collectively eligible for the California Register as contributors to a small historic district, which is significant at the local level within the context of the fishing industry in San Francisco.

Financial Analysis

The above summary of the Phase II Engineering Study includes the estimated cost of each of the options for the Building. The following financial analysis prepared by the Port's Real Estate Division shows the relationship of these costs to the corresponding rental values of each option:

Wharf J-10 Options
Ratio of Annual Rent and Cost

			Option			
	A	B	C	D1	D2	E
	New Wharf Retrofit Building	New Wharf, and New Building	New Wharf and New Building	New Wood Wharf	New Concrete Wharf	Rip Rap
Square Feet						
Apron	3,400	9,000	9,000	9,000	9,000	0
Sheds **	21,413	14,646	14,646	0	0	0
Office	0	5,037	5,037	0	0	0
Annual Rent *						
Apron	$8,568	$22,680	$22,680	$22,680	$22,680	$0
Sheds **	136,187	93,149	93,149	0	0	0
Office	0	51,377	51,377	0	0	0
Total Rent	$144,755	$167,206	$167,206	$22,680	$22,680	$0
Cost	$12,000,000	$8,000,000	$9,000,000	$3,000,000	$4,500,000	$750,000
Ratio of Rent to Cost	1%	2%	2%	1%	1%	0%

* Annual Rent based on Commission approved rental parameters:

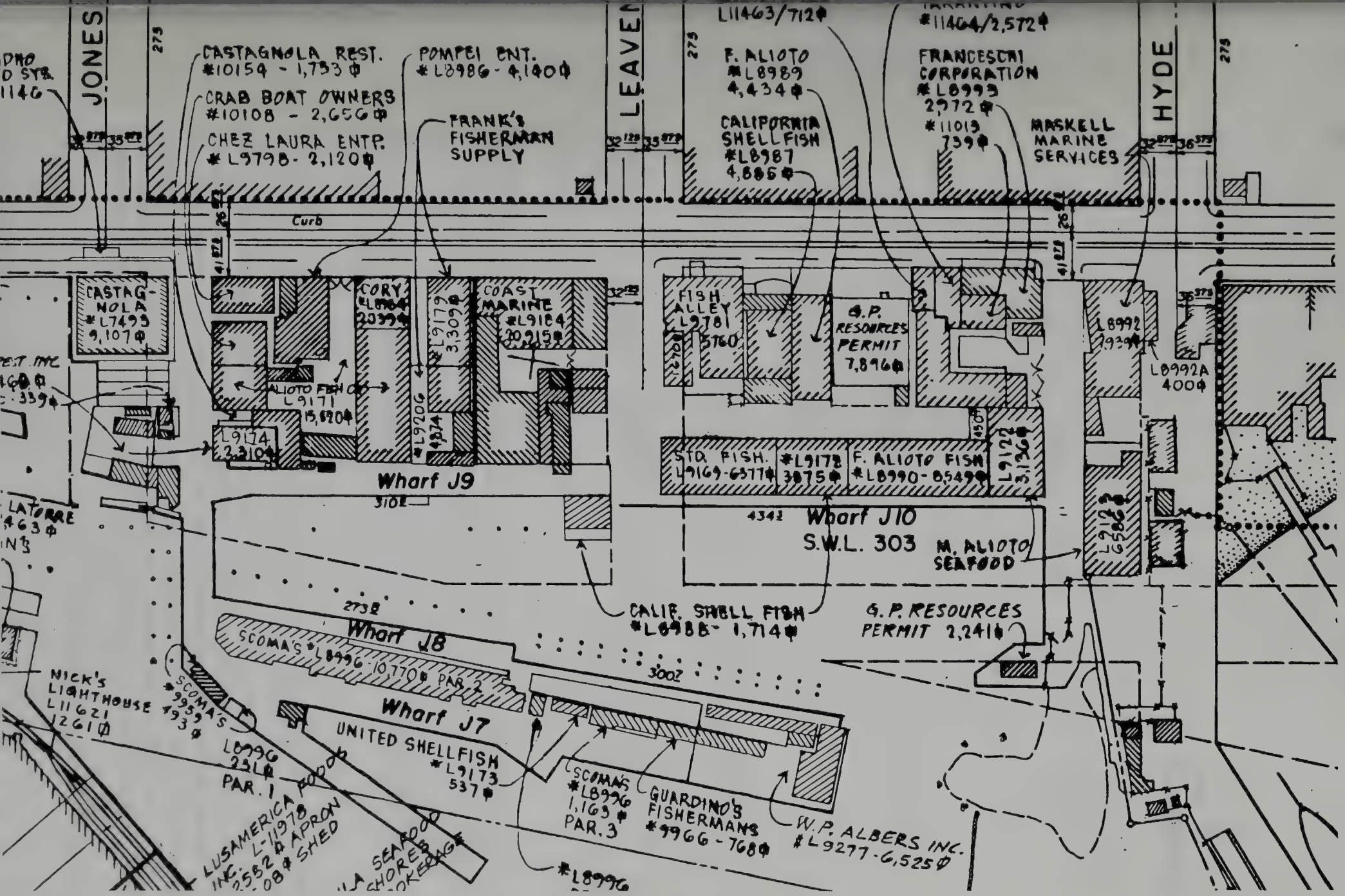
Apron	$2.52
Sheds **	$6.36
Maritime Office	$10.20

** Note: The shed space would be utilized for seafood processing in Options B and C, but the shed space could not be used for seafood processing space in Option A. The annual rental rates indicated for shed space in Options A to C are, nevertheless, the current rental rates for seafood processing space in Pier 45 Sheds B & D because they are within the range of rental rates established in the current rental parameters or general warehouse space on the northern waterfront.

Next Step

The next step is to continue meetings with the existing leaseholders to discuss findings of the Phase II Engineering Study regarding the Building, and the status of their leaseholds in this Building. The results of this Phase II Engineering Study and the Historic Resources Study will also be further reviewed in the future with the Fisherman's Wharf Waterfront Advisory Group. Finally, the five alternative projects described in these options might be subject to environmental review under the California Environmental Quality Act (CEQA). If an environmental impact report (EIR) is required, the standard process will require publication of a draft EIR and a public hearing with an opportunity for the public to comment. After appropriate responses to the comments are prepared, the Planning Commission would review the EIR for adequacy. The Port Commission would then review the final EIR prior to making any determination about the project. This process could occur within approximately a six-month period, once all of the relevant information is submitted to the Planning Department.

Prepared by: Alexander K. Lee, Director of Facilities and Operations


JONES
LEAVEN
HYDE
CASTAGNOLA REST. #10154 - 1,753 ϕ
CRAB BOAT OWNERS #10108 - 2,656 ϕ
CHEZ LAURA ENTP. #L9798 - 2,120 ϕ
POMPEI ENT. #L8986 - 4,140 ϕ
FRANK'S FISHERMAN SUPPLY
L11463/712 ϕ
F. ALIOTO #L8989 4,434 ϕ
CALIFORNIA SHELLFISH #L8987 4,886 ϕ
#11464/2,572 ϕ
FRANCESCHI CORPORATION #L8993 2,972 ϕ
#11013 739 ϕ
MASKELL MARINE SERVICES
Curb
CASTAG-NOLA #L7493 9,107 ϕ
CORY #L9164 2039 ϕ
#L9179 3,309 ϕ
COAST MARINE #L9164 20,215 ϕ
ALIOTO FISH CO. L9171 15,690 ϕ
L9174 3,310 ϕ
L9206
FISH ALLEY L9781 5760
G.P. RESOURCES PERMIT 7,896 ϕ
L8992 7939 ϕ
L8992A 400 ϕ
STD. FISH. L9169-6377 ϕ
#L9178 3875 ϕ
F. ALIOTO FISH #L8990-8549 ϕ
L9122
L9122
Wharf J9
3102
Wharf J10
S.W.L. 303
M. ALIOTO SEAFOOD
CALIF. SHELL FISH #L8988 - 1,714 ϕ
G.P. RESOURCES PERMIT 2,241 ϕ
Wharf J8
SCOMA'S #L8996 10,770 ϕ PAR. 2
3002
NICK'S LIGHTHOUSE L11621 1261 ϕ
SCOMA'S #9959 793 ϕ
L8996 23 LF PAR. 1
Wharf J7
UNITED SHELLFISH #L9173 537 ϕ
SCOMA'S #L8996 1,163 ϕ PAR. 3
GUARDINO'S FISHERMANS #9966 - 768 ϕ
W.P. ALBERS INC. #L9277 - 6,525 ϕ
LUSAMERICA INC. L-11978 2552 ϕ APRON 08 ϕ SHED
SEAFOOD
#L8996

Site Map

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

December 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to execute a contract modification to Contract No. 2613 for the Downtown Ferry Terminal Project to include the "East Promenade" in an amount not to exceed $2,200,000.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO EXECUTE THE PROPOSED CONTRACT MODIFICATIONTO CONTRACT 2613, FOR THE DOWNTOWN FERRY TERMINAL PROJECT, IN AN AMOUNT NOT TO EXCEED $2,200,000.

Introduction

Port staff requests that the Commission authorize the execution of a contract modification to the existing Downtown Ferry Terminal Construction Contract No. 2613. This modification will allow the Port to add the East Promenade work scope to the project, which is needed to satisfy a portion of the Port's obligations to state and federal funding agencies, the Ferry Building developer "Ferry Building Investors LLC" (FBI), and the conditions of the Bay Conservation and Development Commission (BCDC) permit.

Background

As originally conceived, reconstruction and refinishing of the East Promenade was originally part of the Ferry Terminal Project during design. The scope of work included the demolition of the boiler room and supporting deck and construction of a new upgraded deck connecting the existing east promenade and the ferry plaza. This would provide a continuous walkway along the bayside of the Ferry Building. This scope of work is included within project description for the funding from state and federal sources and is also an obligation under the BCDC permit. In addition, the work is addressed as a necessary scope of the area construction in the lease disposition and development agreement (LDDA) with FBI.

This Print Covers Calendar Item No. 7B

In 1999, the project scope was revised to reflect coordination efforts between the Ferry Building Renovation (FBR) and the Ferry Terminal Project. Originally, the Port planned to demolish the current boiler room and install a temporary boiler to service the building until all tenants vacated for the FBR project. However, when it became clear that the FBI was prepared to take possession imminently, the installation of a temporary boiler appeared unnecessary and an unwise use of funds. Therefore, the parties agreed to defer the boiler room demolition and supporting deck reconstruction until the building was fully vacant. In order to delineate a clear separation of the responsibilities and transfer of the property, the LDDA provided two options: The Port could either 1) complete the East Promenade work by close of escrow for the Ferry Building, which would require demolishing and replacing the boiler or 2) leave the site as is with FBI to demolish the boiler and complete the East Promenade work. Under option (2), the Port would reimburse FBI with rent credits at 11% interest. The Port chose option (2) and proceeded to competitively bid the Ferry Terminal project without the East Promenade scope. The overall Ferry Terminal project was awarded to the low bidder, Miller Thompson.

Scope of Work:
Under the Downtown Ferry Terminal BCDC permit, the Port was to provide continuous access along the bayside of the Ferry Building. This was to involve the demolition of the boiler room that currently blocks this access, and then construction of a deck that would connect the current east promenade area to the ferry plaza to the south. Architectural finishes of paving, railing and site furniture would also be required. Subsequently, the BCDC permit for the Ferry Building Renovation included conditions of approval requiring that the entire East Promenade be widened by 12' for public access uses. The Port agreed to split the costs of this widening with the developer 50/50.

Current Status
With Miller Thompson Constructors as the prime contractor, the Ferry Terminal Project has been underway since January 2000 and is progressing satisfactorily. The FBI contractor's estimate for completing the east promenade structural work was $307 per square foot. A quote for the same work from Miller Thompson was substantially lower at $169 per square foot. FBI recently requested that the East Promenade structural work (the original boiler room deck work as well as the widening) be completed by the Port and its existing contractor. FBI has provided a letter stating that if Miller Thompson can perform the work, the Port will be permitted to have Miller Thompson on site after the developer's close of escrow.

Total anticipated additional work to the existing contract is $2.2 million, not including a 10% contingency. The existing contract value is currently $14.2 million. This modification would add about 15% onto the contract price. The work would be funded with a combination of a state grant (California Transportation Commission Proposition 116 funds) and Port capital funds.

The overall project is funded with a combination of state and federal grants along with local funds. Thus, the project is subject to compliance with the federal Disadvantaged Business Enterprise (DBE) program. Miller Thompson is a certified DBE contractor. They have exceeded the established goal of 10% DBE participation on the project and will continue to do so with the addition of this work.

To allow Miller Thompson to complete this additional work, Port staff seeks authorization to modify the contract completion into July 2001. The northern portion of the work could begin as early as January, while the southern area would be contingent upon the boiler shutdown and the-vacation of the building. This southern phase is anticipated to start by mid March 2001.

Conclusion:
Staff recommends Commission approval of the proposed contract modification for the following reasons:

- Substantial cost savings to the Port.
- Elimination of a time impact to the Ferry Building Renovation Project.
- Grant and Port capital monies are available to fund the work.

Based on these reasons, staff strongly urges that the Commission authorize the proposed modification to construction contract 2613 with Miller Thompson to add the "East Promenade" scope of work.

Prepared by: Nita Mizushima
Project Manager

For: Cliff Jarrard
Chief Harbor Engineer

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-103

WHEREAS, The East Promenade work relating to the Downtown Ferry Terminal Project (hereinafter "Project"), as described in the staff memorandum presented with this resolution, was originally part of the Project during the design stage; and

WHEREAS, The proximity in time between the Project and the Ferry Building Renovation Project presented substantial cost inefficiencies and coordination problems in regard to the East Promenade work, and the work was therefore substantially removed from the Project and incorporated into the Ferry Building Renovation Project; and

WHEREAS, Pursuant to the Port's grant agreements and BCDC permit for the Project, the Port is obligated to complete a portion of the East Promenade scope of work; and

WHEREAS, The remaining portion of the scope of work involved is an obligation under the Ferry Building Renovation BCDC permit; and

WHEREAS, Pursuant to the lease and development agreement between the Port and the Ferry Building developer, Ferry Building Investors, the East Promenade work is within the construction zone area which shall be under the developer's control; and

WHEREAS, The Ferry Building developer's estimate for the East Promenade work has increased substantially, which will present commensurate cost increases to the Port, and the Port has available grant funds for reimbursement of a portion of the work should the Port contract for the work; and

WHEREAS, To achieve cost efficiencies and avoid coordination problems of two contractors working in the same areas, the Ferry Building developer has requested that the Port undertake the East Promenade work, utilizing Miller Thompson, the current Ferry Terminal contractor; and

WHEREAS, By utilizing the services of Miller Thompson, the Port will benefit from a substantial cost savings, avoid construction coordination problems, and will minimize adverse time impacts to the Ferry Building Renovation Project; therefore, now be it

RESOLVED, That the Port Commission hereby authorizes staff to execute a modification to the existing contraction contract 2613 with Miller Thompson Constructors in an amount not to exceed $2.2 million; plus a 10% contingency of $220,000; and be it further

RESOLVED, That the Port Commission authorizes staff to extend the substantial completion date of the existing construction contract 2613 with Miller Thompson Constructors to no later than July 31, 2001, and further authorizes the Executive Director to accept the work upon completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

PORT OF SAN FRANCISCO

Ferry Building
San Francisco, CA 94111
Telephone 415 274 0400
Fax 415 274 0528
www.sfport.com

MEMORANDUM

December 14, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to Award Contract No. 2666, "China Basin Shoreline Stabilization Project." to the lowest responsive bidder, Peak Engineering, Inc.

DIRECTOR'S RECOMMENDATION: AUTHORIZE STAFF TO AWARD CONTRACT NO. 2666, THE CHINA BASIN SHORELINE STABILIZATION PROJECT, TO PEAK ENGINEERING, INC.

On March 14, 2000, the Commission authorized advertisement for Competitive Bids for Contract No. 2666, "China Basin Shoreline Stabilization Project." This construction project will provide approximately 830 linear feet of new shoreline protection along the southern edge of China Basin from the Third Street Bridge to the edge of Pier 48. The construction contract work includes contractor mobilization and demobilization, demolition, riprap supply and installation, supervision and management, materials, and equipment to complete the work as set forth in the Construction Documents. The HRC subcontracting goals for this contract are 11% for MBEs and 5% for WBEs.

On October 23, 2000, five bids were received. A summary of the bids is attached. The HRC staff has evaluated responsiveness to the MBE and WBE goals according to the base bid amount. Port Engineering Staff and the Human Rights Commission Staff reviewed the bids and determined that Peak Engineering, Inc. is the lowest responsive, responsible bidder that satisfies the contract requirements and the HRC goals. Peak Engineering's base bid amount is $329,800, which is less than the engineer's estimate of $352,000.

This Print Covers Calendar Item No. **7D**

Port Staff requests that the Commission authorize the award of the contract to Peak Engineering, Inc. for the amount of $397,400 plus a 10% contingency of $39,740. The award includes the base bid and additive alternate bid items A2a and A2b. Staff requests authorization to modify the contract if additional funding becomes available to include the remaining additive alternate bid items A3a, A3b, A4c, A4d, up to an amount of $505,800 plus a 11.9% contingency of $60,190. Staff recommends that the Commission authorize the Executive Director to accept the work once it is complete.

Prepared by: Ken Chu, Associate Civil Engineer for
Cliff Jarrard, Chief Harbor Engineer

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-105

WHEREAS, on March 14, 2000, the Commission authorized advertisement for Competitive Bids for Contract No. 2666, "China Basin Shoreline Stabilization Project;" and

WHEREAS, this construction project will provide approximately 830 linear feet of new shoreline protection along the southern edge of China Basin from the Third Street Bridge to the edge of Pier 48; and

WHEREAS, the construction contract work includes contractor mobilization and demobilization, demolition, riprap supply and installation, supervision and management, materials, and equipment to complete the work as set forth in the Construction Documents; and

WHEREAS, the HRC subcontracting goals for this contract are 11% for MBEs and 5% for WBEs; and

WHEREAS, Port Engineering Staff and the Human Rights Commission Staff reviewed the bids and determined that Peak Engineering, Inc. is the lowest responsive, responsible bidder that satisfies the contract requirements and the HRC subcontracting goals; and

WHEREAS, Peak Engineering's base bid amount is $329,800, which is less than the engineer's estimate of $352,000; and

WHEREAS, Port Staff requests that the Commission authorizes the award of the contract to Peak Engineering, Inc. for the initial amount of $397,400 plus a 10% contingency of $39,740, which includes the base bid and additive alternate bid items A2a and A2b; and

WHEREAS, staff requests authorization to modify the contract if additional funding becomes available to include the remaining additive alternate bid items A3a, A3b, A4c, A4d up to an amount of $505,800 plus a 11.9% contingency of $60,190; now therefore be it

RESOLVED, that the Commission authorizes the award of contract No. 2666 to Peak Engineering in the sum of $397,400 plus a 10% contingency of $39,740 for the base bid and additive alternate bid items A2a and A2b; and be it further

RESOLVED, that the Commission authorizes staff to enter into contract modifications, if additional funding becomes available, to include remaining additive alternate bid items A3a, A3b, A4c and A4d, for a maximum amount of $505,800 plus a 11.9% contingency of $60,190, and that the Executive Director is authorized to accept the work upon it is complete.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

BID SUMMARY
PORT OF SAN FRANCISCO

Prepared By: Ken Chu
Checked By:
Date: 10/26/00

Project: China Basin Shoreline Stabilization
Contract No.: 2666 Project Engineer: Ken Chu Bids Opened: October 23, 2000

			Peak Engineering, Inc. 2332 Mariposa St. San Francisco, CA 94110 (415) 252-8140		D'arcy & Harty Construction, Inc. 1300 Carroll Ave. San Francisco, CA 94124 (415) 822-5200		San Rafael Rock Quarry dba Dutra 1000 Pt. San Pedro Road San Rafael, CA 94901 (415) 459-7740		Gordon N. Ball, Inc/Mendelian Cor 333 Camille Ave. Alamo, CA 94507 (925) 838-5675		JMB Construction, Inc. 150 Executive Park Blvd. Ste. 4400 San Francisco, CA 94134 (415) 468-1202			
Bid Item #	Description	Estimated Quantity	Unit /LS Price	Total	Unit /LS Price	Total	Unit /LS Price	Total	Unit /LS Price	Total	Unit /LS Price	Total	Average Unit /LS Price	Average Total
1	Mobilization	LS	15,000.00	15,000.00	8,000.00	8,000.00	50,000.00	50,000.00	20,000.00	20,000.00	100,000.00	100,000.00	38,600.00	38,600.00
2	Site Preparation (Sta 0+50 to 4+50)	LS	40,000.00	40,000.00	41,000.00	41,000.00	50,000.00	50,000.00	100,000.00	100,000.00	100,000.00	100,000.00	66,200.00	66,200.00
3	Pipe Removal and Plugging	LS	2,000.00	2,000.00	500.00	500.00	2,000.00	2,000.00	5,000.00	5,000.00	2,000.00	2,000.00	2,300.00	2,300.00
4	Pipe Extension and Protection	LS	8,000.00	8,000.00	3,000.00	3,000.00	7,000.00	7,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,600.00	5,600.00
5	Timber Bulkhead Removal, Assume Class 3 non-contaminated	LS	52,400.00	52,400.00	5,000.00	5,000.00	71,000.00	71,000.00	10,000.00	10,000.00	45,000.00	45,000.00	36,680.00	36,680.00
6	Geo-Fabric and Gravel Bedding Stones	LS	45,000.00	45,000.00	6,000.00	6,000.00	20,000.00	20,000.00	25,000.00	25,000.00	35,000.00	35,000.00	26,200.00	26,200.00
7	Riprap (Sta 0+50 to 4+50)	6200	27.00	167,400.00	47.00	291,400.00	27.00	167,400.00	47.00	291,400.00	40.00	248,000.00	37.60	233,120.00
A2a	Site Preparation (Sta 4+50 to Sta 6+50)	LS	19,000.00	19,000.00	4,500.00	4,500.00	15,000.00	15,000.00	15,000.00	15,000.00	50,000.00	50,000.00	20,700.00	20,700.00
A2b	Riprap (Sta 4+50 to Sta 6+50)	1800	27.00	48,600.00	46.00	82,800.00	27.00	48,600.00	47.00	84,600.00	40.00	72,000.00	37.40	67,320.00
A3a	Site Preparation (Sta 6+50 to Sta 12+35)	LS	28,000.00	28,000.00	4,500.00	4,500.00	38,000.00	38,000.00	15,000.00	15,000.00	50,000.00	50,000.00	27,100.00	27,100.00
A3b	Riprap (Sta 6+50 to Sta 12+35)	1600	27.00	43,200.00	47.00	75,200.00	27.00	43,200.00	45.00	72,000.00	40.00	64,000.00	37.20	59,520.00
A4c	Large Decorative Rocks C	200	90.00	18,000.00	60.00	12,000.00	92.00	18,400.00	100.00	20,000.00	70.00	14,000.00	82.40	16,480.00
A4d	Large Decorative Rocks D	175	110.00	19,250.00	70.00	12,250.00	102.00	17,850.00	130.00	22,750.00	80.00	14,000.00	98.40	17,220.00
A4b	Large Decorative Rocks B	275	80.00	22,000.00	60.00	16,500.00	82.00	22,550.00	90.00	24,750.00	60.00	16,500.00	74.40	20,460.00
A4a	Large Decorative Rocks A	475	50.00	23,750.00	60.00	28,500.00	48.00	22,800.00	50.00	23,750.00	50.00	23,750.00	51.60	24,510.00
A5	Shed Removal and Partial Concrete Wall Removal	LS	4,000.00	4,000.00	7,000.00	7,000.00	25,000.00	25,000.00	15,000.00	15,000.00	25,000.00	25,000.00	15,200.00	15,200.00
A6	Shed Foundation Removal and Backfill	LS	2,500.00	2,500.00	4,000.00	4,000.00	7,000.00	7,000.00	12,000.00	12,000.00	5,000.00	5,000.00	6,100.00	6,100.00
A1a	Site Preparation (N.E. side of Bridge to Sta 0+50)	LS	4,500.00	4,500.00	2,000.00	2,000.00	30,000.00	30,000.00	15,000.00	15,000.00	20,000.00	20,000.00	14,300.00	14,300.00
A1b	Riprap (N.E. side of Bridge to Sta 0+50)	300	27.00	8,100.00	50.00	15,000.00	29.00	8,700.00	68.00	20,400.00	80.00	24,000.00	50.80	15,240.00
	Total Base Bid			329,800.00		354,900.00		367,400.00		456,400.00		535,000.00		408,700.00
	Total Alternate Bid			240,900.00		264,250.00		297,100.00		340,250.00		378,250.00		304,150.00
	Total Base Bid + Total Alternate Bid			570,700.00		619,150.00		664,500.00		796,650.00		913,250.00		712,850.00
	Total Base Bid + A2a, A2b			**397,400.00**		442,200.00		431,000.00		556,000.00		657,000.00		496,720.00
	Total Base Bid + A2a, A2b + A3a, A3b			468,600.00		521,900.00		512,200.00		643,000.00		771,000.00		583,340.00
	Total Base Bid + A2a, A2b + A3a, A3b +A4c, A4d			**505,850.00**		**546,150.00**		**548,450.00**		**685,750.00**		**799,000.00**		**617,040.00**
	Total Base Bid + A2a, A2b + A3a, A3b +A4c, A4d, A4b			527,850.00		562,650.00		571,000.00		710,500.00		815,500.00		637,500.00
	Total Base Bid + A2a, A2b + A3a, A3b +A4c, A4d, A4b, A4a			551,600.00		591,150.00		593,800.00		734,250.00		839,250.00		662,010.00

BID SUMMARY
PORT OF SAN FRANCISCO

Prepared By: Ken Chu
Checked By:
Date: 10/26/00

Project: China Basin Shoreline Stabilization
Contract No.: 2666 **Project Engineer: Ken Chu** **Bids Opened: October 23, 2000**

		Peak Engineering, Inc. 2332 Mariposa St. San Francisco, CA 94110 (415) 252-8140		D'arcy & Harty Construction, Inc. 1300 Carroll Ave. San Francisco, CA 94124 (415) 822-5200		San Rafael Rock Quarry dba 1000 Pt. San Pedro Road San Rafael, CA 94901 (415) 459-7740		Gordon N. Ball, Inc/Mendelia 333 Camille Ave. Alamo, CA 94507 (925) 838-5675		JMB Construction, Inc. 150 Executive Park Blvd. Ste San Francisco, CA 94134 (415) 468-1202	
Required Forms	Document #	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)	Yes (Y)	No (N)
Executed Bid Form	00400	Y		Y		Y		Y		Y	
Schedule of Bid Prices	00410	Y		Y		Y		Y		Y	
Non-Collusion Affidavit	480	Y			N	Y		Y		Y	
Bid Security equal to 10% of the Bid	430	Y		Y		Y		Y	N?	Y	
Acknowledgment of Receipt of Adde	432	Y		Y		Y		Y		Y	
Subcontractor List	435	Y		Y		Y		Y		Y	
Certificate of Bidder Regarding Appr	465	Y		Y		Y		Y		Y	
Highest General Prevailing Rate Cer	460	Y		Y		Y		Y		Y	
HRC Form 1	455/HRC1	Y		Y		Y		Y		Y	
HRC Form 2A	455/HRC2A	Y		Y		Y		Y		Y	
HRC Form 2B	455/HRC2B		N	Y		Y		Y		Y	
Certificate of Bidder Regarding Nond	470	Y		Y		Y		Y		Y	
Bidder's Qualification Statement	450	Y		Y		Y		Y		Y	
Business Tax Reg Declaration	454	Y		Y		Y		Y		Y	
First Source Hiring Program Certifica	457	Y		Y		Y		Y		Y	
Cert of Bidder Regarding Debarmen	482	Y		Y		Y		Y		Y	
Deemed Responsive by Engin & HRC (Y/N) ?		Y		Y		Y					
Total Base Bid →		329,800.00		354,900.00		367,400.00		456,400.00		535,000.00	

City and County of San Francisco

Willie Lewis Brown, Jr.
Mayor

Human Rights Commission

Contract Compliance
Dispute Resolution/Fair Housing
Minority/Women/Local Business Enterprise
Lesbian Gay Bisexual Transgender & HIV Discrimination

Virginia Harmon
Interim Executive Director

MEMORANDUM

TO: **Ken Chu,** Project Engineer
Cliff Jarrard, Chief Harbor Engineer
Tim Yoshida, Deputy City Attorney

FROM: Selormey Dzikunu

DATE: December 11, 2000

RE: **China Basin Shoreline Stabilization Contract No. 2666**

The HRC has reviewed the bid documents and relevant documentation with respect to the applicable requirements of Administrative Code 12D-A for the Port of San Francisco's China Basin Shoreline Stabilization Contract No. 2666. The Port's budget allows it to award the base bid work plus alternates A 2a, & A2b.
The minority-owned business enterprise (MBE) subcontractor participation goal for this contract is 11%. The woman-owned business enterprise (WBE) subcontractor participation goal for the contract is 5%.
EVALUATION PROCESS:
Pursuant to Administrative Code Chapter 12D-A and the bidding requirements for the contract, the following bid documents submitted by the lowest bidder were reviewed to calculate the MBE and WBE subcontractor participation goals of the bidder. This evaluation is based on the Total Bid Price.

- Document 00435/List of Subcontractors
- HRC Form 1 Bid Preference Application
- HRC Form 2A Subcontractor Participation
- HRC Form 2B Good Faith Efforts and any attached documentation
- HRC Form 3, Compliance Affidavit

First Low Bidder: Peak Engineering Inc.

	Bid Amount	MBE %	WBE %	Goal Met
Total Bid Price	$329,800			
Subcontractors				
Afa Construction Inc.		$40,000		12.3%
J. Higgins Trucking			$20,000	6.06%
		MBE $40,000 (12.3%)	WBE: $ 20,000 (6.06%)	11% MBE Met. 5% WBE Met.

Peak Engineering has met the 11% MBE and 5% WBE goals. Peak Engineering has selected specific items of the project for which the contract will be awarded to be performed by MBE/WBEs to provide an opportunity for participation by those enterprises. Peak Engineering has made efforts to obtain MBE/WBE participation that the City could reasonably expect would produce a level of participation sufficient to meet the City's goals and requirements. Therefore, Peak Engineering's bid is deemed responsive to HRC requirements. This memorandum supersedes all previous memoranda on this contract.

PORT OF SAN FRANCISCO

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San Francisco, CA 94111
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MEMORANDUM

December 13, 2000

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to advertise Contract No. 2670, "Pier 34, Demolition.

DIRECTOR'S RECOMMENDATION: AUTHORIZE PORT STAFF TO ADVERTISE FOR COMPETITIVE BIDS FOR CONTRACT NO. 2670, "PIER 34, DEMOLITION

The Port's Waterfront Land Use Plan includes provisions calling for the removal of Pier 34 and 36 to create a major Brannan Street Wharf public open space. On July 20, 2000, the San Francisco Bay Conservation and Development Commission (BCDC) approved amendments to the BCDC Bay Plan and the San Francisco Waterfront Special Area Plan (SAP). These plans provide for removal of Pier 34 as one of several designated pier removal and public access improvement projects to be implemented by the Port. The BCDC SAP includes a schedule, which requires the removal of Pier 34 within one year of BCDC's adoption of the SAP amendments. On July 20, 2000, the Port Commission approved amendments to the Waterfront Land Use Plan, which include the pier removal and public access improvement projects, and associated implementation schedule adopted by BCDC. Pursuant to the implementation schedule, the Port has appropriated funds from its capital budget to finance the removal of Pier 34, which is the first pier removal obligation.

Staff requests authorization to advertise for competitive bids for Contract No. 2670, "Pier 34 Demolition." The Engineer's estimate for this work is $1,200,000. The competitive bidding of this contract is required at this time to allow the Port to meet its obligation to remove the pier within the prescribed schedule.

Prepared by: Cliff Jarrard
Chief Harbor Engineer

This Print Covers Calendar Item No. 7E

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-102

WHEREAS, the Port's Waterfront Land Use Plan includes provisions calling for the removal of Pier 34 and 36 to create a major Brannan Street Wharf public open space; and

WHEREAS, on July 20, 2000, the San Francisco Bay Conservation and Development Commission (BCDC) approved amendments to the BCDC Bay Plan and the San Francisco Waterfront Special Area Plan (SAP), which include policies to remove Pier 34 as one of several designated pier removal and public access improvement projects to be implemented by the Port; and

WHEREAS, the BCDC SAP includes a schedule for completion of the pier removal and public access improvement projects, which requires the removal of Pier 34, within one year of BCDC's adoption of the SAP amendments; and

WHEREAS, on July 20, 2000, the Port Commission approved amendments to the Waterfront Land Use Plan which include the pier removal and public access improvement projects, and associated implementation schedule adopted by BCDC; and

WHEREAS, pursuant to the implementation schedule, the Port has appropriated funding in its capital budget to remove Pier 34, which is the first pier removal obligation, and the Engineer's estimate is $1,200,000; now therefore be it

RESOLVED, the Port Commission hereby authorizes staff to issue an invitation for competitive bids for the demolition of Pier 34 pursuant to Contract No. 2670, "Pier 34 Demolition."

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of December 20, 2000.

_____
Secretary

5

12/20/00
Special

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SAN FRANCISCO
PORT COMMISSION

DECEMBER 20, 2000
MINUTES OF THE SPECIAL MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE SPECIAL MEETING
DECEMBER 20, 2000

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 3:05 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman & Pius Lee.

2. APPROVAL OF MINUTES - November 20, 2000 Special Meeting
- November 21, 2000 Special Meeting

ACTION: Commissioner Lee moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor. The minutes of the November 20 & November 21 Special Meetings were adopted.

3. EXECUTIVE

A. Executive Director's Report

- Port Holiday Luncheon – The Port held its annual holiday luncheon aboard the Ferryboat Santa Rosa at Pier 3 on December 8th. The festive holiday was held for Port employees, Commissioners, Port tenants, customers and special guests. This was an occasion to reflect on the Port's success for the year, and acknowledge several outstanding employees for their hard work, dedication and years of service at the Port.

- Responses to the Piers 27-31 Mixed Use Recreation Development Project RFP. The Port received two proposals in response to the RFP: (1) Chelsea Piers, L.P. and (2) The Mills Limited Partnership. Port staff has begun its review and evaluation of the two proposals with the assistance of the consultant team led by Bay Area Economics. A public informational presentation by the two respondents is scheduled for January 9, 2001 which will be held in the Gabbiano's Restaurant, located towards the bay from the Ferry Building.

  Commissioner McCarthy indicated that she and Commissioner Brandon recently took a tour of Pier 70. She asked when staff expects to get a report from the Pier 70 advisory committee. Mr. Byron Rhett, Director of Planning & Development, replied that at their last Pier 70 advisory group meeting, staff received their comments regarding the goals and objectives. Staff intends to present its findings at the Commission's first meeting in January and provide the Commission a presentation on the goals and objectives and the information they have received from the community.

Commissioner Hardeman indicated that he & Commissioner McWilliams also toured Pier 70. He thanked Phil Williamson and Mark Paez for the briefing and the tour.

4. OPERATIONS

A. Approval of Employee Recognition Awards for Calendar Year 2000. (Resolution No. 00-98)

Ms. Karen Clopton, Chief of Operations, presented the item and requested Commission's approval.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-98 was adopted.

B. Authorization to Issue a Request for Proposals (RFP) to Software Vendors to Provide the Port with a Facilities Maintenance Management System. (Resolution No. 00-99)

Mr. Tom Petersen, Maintenance Superintendent, presented the item and requested Commission's approval.

Commissioner Brandon asked if this system would interface with the other system that the Port is getting. Mr. Petersen replied that would be the intent and it would be part of the consultant's job to work with the Port's IS group to make sure that happens. The programs will share the same database.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-99 was adopted.

5. MARITIME

A. Approval of ten-year lease with Baydelta Maritime (Lease No. 12984) for portions of Pier 15. (Resolution No. 00-100) (Staff report provided to the Commission.)

Mr. Peter Dailey, Director of Maritime, presented the item and requested Commission's approval. He noted that minor changes were made to the lease and provided the Commission a copy of the revised resolution.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor; Resolution No. 00-100 was adopted.

B. Approval of First Amendment to Lease No. L-12853 with Big C Traders at Pier 19-23. (Resolution No. 00-101)

Mr. Peter Dailey, Director of Maritime, presented the item and requested Commission's approval.

Commissioner McCarthy asked about the rent credits. Mr. Dailey replied that the rent credits are for the design and structural engineering costs. Big C, however, has agreed to repay the Port for the rent credits if the construction is not completed by December 2002.

Claude Jacques, President of Foreign Trade Zone, indicated that they were supposed to start last September but they ran into problems such as BCDC's requirement for a full architectural, structural and mechanical plan. Port staff (Alec Bash & Dan Hodapp) was instrumental in their negotiations with BCDC. Their item is on the BCDC's agenda for their January 16th meeting. They hope to start construction on January 17th. Big C had a great year and it will be even greater next year.

Since Big C is still going through the design and pre-development phase and does not have a firm date on the construction date, Commissioner Brandon suggested amending the language in the lease to state... "two years from the start date of construction." Mr. Dailey indicated that Commissioner Brandon's suggestion could be incorporated in the lease. However, the time allotted (December 2002) is doable. Staff is comfortable that the approvals would be forthcoming and construction will commence in a matter of weeks and the project would be done by 2002.

Commissioner Brandon asked if staff is confident that BCDC would grant approval to the project in January and Big C would be able to start construction thereafter. Mr. Alec Bash, Planner, indicated that it is not certain but they are making good progress.

Port Legal Counsel Noreen Ambrose suggested that the Commission adopt an amended resolution with the proviso that the end date for construction could be extended for an additional six months provided that the tenant is proceeding in good faith with due diligence. This language will be incorporated in the lease.

Commissioner Hardeman suggested that Claude Jacques should go to BCDC and tell them that if we had the most inspirational tenant of the year, that he would be it.

Claude Jacques indicated that they just won the airport bid. He, Peter Dailey, Jim Wiltshire and others are making plans for Pier 80 that would turn business around for the port.

ACTION: Commissioner Hardeman moved approval as amended; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor; Resolution No. 00-101 was adopted.

6. REAL ESTATE

A. Informational Briefing on San Francisco Redevelopment Agency's South Beach Park and Harbor Expansion Project at Pier 40.

Terry Picon, Director of Real Estate, introduced Amy Neches from Redevelopment Agency.

Amy Neches, Senior Project Manager, presented the Redevelopment Agency's plans for the Rincon Point-South Beach Redevelopment Area. The former industrial area was blighted by economic and physical obsolescence, vacant and dilapidated buildings and piers and underutilized and inefficient street rights-of-way. The City, in adopting the Redevelopment Plan, made a decision to transform this area into a vibrant mixed-use neighborhood particularly in the South Beach area. The catalyst for the South Beach revitalization is public improvements. The major public improvement is South Beach Harbor. The property that South Beach Harbor is built upon is master leased by the Redevelopment Agency from the Port. The Agency has undertaken a series of improvements over the years.

The work completed to date is as follows:

- 700-boat marina
- Guest dock
- Landscaped boater parking area
- Waterfront promenade
- South Beach Park lawn area & major public sculpture
- Children's play area (in progress)

The expansion project goals are as follows:

- Complete project while funding is available.
- Expand usable park/pedestrian areas.
- Improve public access to the waterfront.
- Replace "temporary" improvements with permanent structures.
- Create modern facilities for the boating community and the public.

The expansion project elements include:

- Pedestrian plaza/park on Pier 40 apron
- Complete waterfront promenade
- Harbor Services Building (Harbormaster, Yacht Club, Marine businesses)
- Public access around Pier 40, façade repair
- Guest dock on north side of Pier 40
- Dinghy dock and accessibility improvements

The current status of the project:

- Approved funding of $9.4 million ($7.4 million from CalBoating and $2 million in tax increment financing)
- Select design/engineering firm early 2001
- Refine work program
- Design work, review, approvals in 2001
- Start construction 2002
- Complete construction 2003

Rick Dickerson, Rincon Point-South Beach Citizens Advisory Committee Chair and Manager of the South Beach Marina Apartments, expressed the residents and CAC's support for the expansion project.

Jeffrey Leibovitz, Rincon Point-South Beach CAC Member, also expressed his support for the project. He noted that he the Dolph Rempp Sailing Ship to be impairment to the waterfront. There were a lot of discussions about the sailing but it did not garner any community support. The sailing ship is only open on special occasions and it's not a viable restaurant that gets tremendous use. The Rincon Point South Beach CAC holds its meeting at the South Beach Marina Yacht Club but it does not accommodate a lot of people. The time has come for public improvements that would benefit those uses. The yacht club is heavily used and it has a lot of programs that benefit a lot of people. He hopes that this project moves as quickly as possible.

Michael Sweet, South Beach Resident & Vice Chair Rincon Point-South Beach CAC, indicated that the owner of the Rempp Sailing Ship appeared before the CAC and talked about the injustice and disservice that is being done to his business. The residents are in favor of the Redevelopment Agency's project and are looking forward to moving that relic aside. He was confident that the Commission would do what's right for the neighborhood.

Commissioner Brandon clarified that nothing has passed with regard to the sailing ship as there were no plans presented as of yet.

Ms. Neches, Redevelopment Agency, clarified that although the Agency leases the South Beach Park from the Port, the Sailing Ship Restaurant has a lease with the Port that expires on June 30, 2001. The agency has an option to pick up the Dolph Rempp but at the moment, they have not done so. The Port has given the ship rent credits over the years and amortized the cost of the improvements. The lease is written in such that at the end of the lease, the Port will own the ship. There is no further renewal right. If the Port or the Agency steps in and choose to put that out to lease again, the existing tenant would have the right to match any offer. The agency is not interested in renewing the lease because the neighborhood has changed dramatically. The community is interested in a different use program for that space.

Commissioner Brandon asked about the Port's Real Estate Division's plan for that area. Ms. Picon, Director of Real Estate, indicated that a meeting with the tenant is scheduled for next week. This item will be brought to the Commission at its next meeting for discussion under executive session.

Commissioner McCarthy asked if the Agency would not be able to move forward with the project unless the Port terminate the lease or make it available to the Agency. Ms. Neches replied that the Redevelopment Agency, under their existing Master Option to Lease with the Port, has an option to pick up that lease. However, it would be important for the Port and the Agency to reach an understanding about what's important for that area and how to move forward. If the lease is renewed for this ship in its current location, they would not be able to complete the improvements to the promenade or to the substructure which are an important portion for the public access.

Commissioner McCarthy asked if the Redevelopment Agency is open to something that would be mutually acceptable to both agencies should this property become available and no longer used by this ship. Ms. Neches indicated that they would continue to work with Port staff and the Commission to make this project feasible in terms of public use and public access.

Commissioner McCarthy asked about the total cost of the project. Ms. Neches replied that ultimately they might have to seek additional funding but the entire project costs $9.4 million.

7. ENGINEERING & MAINTENANCE

A. Informational Presentation on Wharf J-10 located in Fisherman's Wharf at Fish Alley and Leavenworth Street. ***This item has been taken off calendar.***

B. Authorization to execute a contract modification to Contract No. 2613 for the Downtown Ferry Terminal Project to include the Alternate Bid Item "Breakwater" in an amount not to exceed $2.2 million. (Resolution No. 00-103)

Ms. Nita Mizushima, Project Manager, presented the item and requested Commission's approval.

Commissioner McCarthy asked about the difference of costs. Ms. Mizushima replied that Miller Thompson has already mobilized their operation. They specialize in marine construction whereas the developer for the Ferry Building specializes in building renovation. To balance the work, the breakwater would be done concurrently allowing for cost savings.

Commissioner Brandon asked why this project was not put out to bid. Ms. Mizushima replied that it's because of the time factor. In order for the Ferry Building contract to be completed on time, the east promenade must be completed by July 2001. If this contract was put out to bid, it would cost more money to have another contractor on board. A Notice to Proceed would be issued in April which would delay the project. The timing would be extremely tight. The Ferry Building Developers specifically requested Miller-Thompson to take on the work rather than put it out to bid because the contractor has seen the ongoing work and they have access to the site. The learning curve has already been achieved and this work is similar to the work that has already been done.

Commissioner Brandon indicated that if this is something that the Ferry Building Developers were going to do in the first place, she has a hard time understanding the developers putting us under time constraints and choosing who should do the work. Mr. Alec Bash, Port Planner, indicated that staff has been working very closely with the Ferry Building developers to coordinate the work. By working together, we found a way to save money and they save time. Under those terms, staff decided to move forward with the contract modification.

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Commissioner Brandon indicated that her recollection was that the developer was going to take on this work at no extra cost to the Port. Mr. Bash replied that the Port was not going to have to pay for: (1) the concourse, (2) the south arcade and (3) the temporary boiler. Staff managed to not only offload the cost but also totally avoid those costs. The east promenade is one area where it would be an extra cost for them and the Port agreed to reimburse their cost.

Commissioner Brandon inquired about the reason for the Port agreeing to pay half of the widening of the east promenade. Mr. Bash replied that the agreement was reached between Paul Osmundson and the Ferry Building Developers based upon the nature of the agreement between the Port & the Ferry Building Investors, i.e. once they achieve a certain term on their investment, we share 50/50 in all of the proceeds from that point.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-103 was adopted.

C. Approval of the Seventh Amendment with ROMA Design Group to extend the construction support services during the course of the ferry terminal construction contract; modification amount is $239,292. (Resolution No. 00-104) ***This item has been taken off calendar.***

D. Authorization to award Contract No. 2666, "China Basin Shoreline Stabilization Project" to the lowest responsive bidder, Peak Engineering, for $397,400 plus 10% contingency. (Resolution No. 00-105)

Mr. Alex Lee, Director of Engineering & Maintenance, presented the item and requested Commission's approval.

Jeffrey Leibovitz, Rincon Point-South Beach CAC, indicated that this would be a new park for San Francisco and part of the mitigation for the new Giants Ballpark. It is critical that the shoreline stabilization work be constructed and completed before the parking structure can begin. The Giants are ready to move on this and have committed new funding. He urged the Commission to find the additional funding to complete the entire park. He hoped that this park is completed by the end of summer. He urged the Commission to go forward with the project and allow Peak Engineering to start work as soon as possible.

Commissioner McCarthy asked if the project cost would incorporate the entire ballpark. Mr. Lee replied that the $505,000 plus 11% contingency would be enough to complete it all the way around.

Commissioner Lee asked about the time limit to complete the project and suggested that staff seek approval right away so as not to delay the project. Mr. Alex Lee replied that we hope to get the bids by the end of summer and will know the project cost at that time. Mr. Lee replied that staff has to authorize the work before they demobilize and it would take about 9-10 months to secure the funds.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; Resolution No. 00-105 was adopted.

E. Authorization to advertise Contract No. 2670, "Pier 34 Demolition." (Resolution No. 00-102)

Mr. Alex Lee, Director of Engineering & Maintenance, presented the item and requested Commission's approval.

Commissioner McCarthy indicated that BCDC should be made aware that this has been approved and the Port is meeting its obligation.

ACTION: Commissioner McCarthy moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor; Resolution No. 00-102 was adopted.

8. NEW BUSINESS / PUBLIC COMMENT

Corinne Woods, representing the Mission Creek Harbor Association, indicated that it has come to their attention that the potential arena at Pier 50 has not died the death that it deserves. Potential negotiations between a Texas company and Port staff is scheduled in January. The piers in discussions are in good condition, one of which has the Port's Maintenance Division and the other has maritime users. Tons of money were expended to upgrade Pier 48 after the fire. There will be a shoreline park right around the corner. In January, they expect to get a grant for a brand new public boat launch ramp at Pier 52. It is inappropriate to consider an arena for that property before the maritime advisory committee makes its recommendation on what is going to be needed for Port maritime uses. It would be difficult to find alternate space for maritime tenants that are currently using Pier 50. Because of the Mission Bay Development, there will be no available parking for the arena. They strongly oppose the arena proposal and asked the Commission to consider their concerns.

9. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

ACTION: Commissioner Hardeman moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 4:25 p.m., the Commission withdrew to executive session to discuss the following:

B. CLOSED SESSION

(1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative. ****

a. Property: Pier 1-½, 3 and 5
Person Negotiating: Port: Kirk Bennett, Manager Waterfront Development Projects
*Embarcadero Waterfront Partners LLC: Mike Kelly
*San Francisco Waterfront Partners LLC: Simon Snellgrove
*Watermark Partners LLC: Joseph Sherman

b. Property: Piers 27-31
Person Negotiating: Port: Kirk Bennett, Manager, Waterfront Development Projects
*Chelsea Piers Management, Inc.: Roland W. Betts
*The Mills Corporation: Edward B. Vinson

c. Property: Pier 30/32 and SWL 330
Person Negotiating: Port of San Francisco: Anne Cook, Manager, Waterfront Development Projects
*San Francisco Cruise Terminal LLC: Glen Elkington
This item has been taken off calendar.

d. Property: Western Pacific Property @ 25th & Illinois
Person Negotiating: Port of San Francisco: Byron Rhett, Director of Planning and Development.
*Municipal Railway: Kerstin Magary

e. Property: Pier 45, Shed A
Person Negotiating: Port of San Francisco: Byron Rhett, Director, Planning & Development
*Malrite Group: Dennis Barrie

10. RECONVENE IN OPEN SESSION

At 6:11 p.m., the Commission returned from executive session and convened in open session.

ACTION: Commissioner McWilliams moved approval to not disclose any information discussed in executive session; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 6:11 p.m.